

SAIGOLS



KOHINOOR
ENERGY LIMITED



KEL/COR/STOK/2019/89
September 30, 2019

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building/Road,
Karachi.

Subject: Transmission of Annual Report for the Year Ended June 30, 2019

Dear Sir,

We have to inform you that the Annual Report of the Company for the year ended June 30, 2019 have been transmitted through PUCARS and is also available on Company's website.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours faithfully,
for KOHINOOR ENERGY LIMITED

(Muhammad Asif)
Company Secretary

SAY NO TO CORRUPTION



KOHINOOR
ENERGY LIMITED

2019

ANNUAL REPORT

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Board of Directors

Mr. M. Naseem Saigol
Chairman / Non-Executive
Mr. S M Shakeel
Chief Executive Officer
Mr. Ichiro Kawano
Non-Executive
Mr. Ryo Aoe
Independent
Ms. Mariko Ueda
Independent
Mr. Shingo Ito
Independent
Mr. Faisal Riaz
Non-Executive

Company Secretary

Mr. Muhammad Asif

Audit Committee

Mr. Shingo Ito
Chairman
Mr. Ryo Aoe
Ms. Mariko Ueda

HR & Remuneration Committee

Mr. Shingo Ito
Chairman
Mr. S M Shakeel
Mr. Ryo Aoe
Ms. Mariko Ueda

Management

Mr. S M Shakeel
Chief Executive Officer
Mr. Ghazanfar Ali Zaidi
General Manager Technical
Mr. Muhammad Ashraf
Chief Financial Officer

Auditors

A. F. Ferguson & Co.
Chartered Accountants

Legal Advisor

LMA | Ebrahim Hosain

Bankers

Standard Chartered Bank [Pakistan] Limited
Bank Alfalah Limited
Askari Bank Limited
AL Baraka Bank (Pakistan) Limited
Meezan Bank Limited
Habib Bank Limited
MCB Bank Limited
United Bank Limited
Faysal Bank Limited
Bank Islami Pakistan Limited
National Bank of Pakistan

Registered Office

301, 3RD Floor, Green Trust Tower,
Blue Area Islamabad, Pakistan.
Tel : +92-51-2813021-2
Fax : +92-51-2813023

Project/Head Office

Post Office Raja Jang, Near Tablighi Ijtima,
Raiwind Bypass, Lahore, Pakistan.
Tel : +92-42-35392317
Fax : +92-42-35393415-7

Shares Registrar

M/S. Corplink (Pvt.) Ltd.
Wings Arcade, 1-K, Commercial, Model Town,
Lahore, Pakistan.
Tel : +92-42-35839182, 35887262, 35916719
Fax : +92-42-35869037

Lahore Office

17-Aziz Avenue, Unit # 4, Canal Bank,
Gulberg V, Lahore, Pakistan.
Tel : +92-42-35717861-2
Fax : +92-42-35715090

Company Registration No.

0032461 of 1993-94

Company NTN

0656788-6

Website

www.kel.com.pk

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 26th Annual General Meeting of shareholders of Kohinoor Energy Limited will be held on October 22, 2019 (Tuesday) at 12:30 P.M. at Hotel Margala Islamabad, M-2 Near Convention Centre, Islamabad to transact the following business:

1. To confirm minutes of the Annual General Meeting held on October 23, 2018.
2. To receive and adopt the Annual Audited Accounts of the Company for the financial year ended June 30, 2019 alongwith Directors' and Auditors' Reports thereon.
3. To approve final dividend @ 20% i.e. Rs. 2.00 per share as recommended by the Board of Directors in addition to the two interim dividends already paid @15% i.e. Rs. 1.50 per share and @15% i.e. Rs. 1.50 per share making a total dividend @ 50% i.e. Rs. 5.00 per share for the financial year 2018-19.
4. To appoint Auditors to hold office till the conclusion of the next Annual General Meeting and to fix their remuneration.
5. Any other business with the permission of the Chair

Notes:

1. The Share Transfer Books of the Company will remain closed from October 16, 2019 to October 22, 2019 (both days inclusive). Transfers received at our Share Registrar Office M/S CORPLINK (PVT) LIMITED situated at Wings Arcade, 1-K, Commercial, Model Town, Lahore upto the close of business hours on October 15, 2019 will be treated in time for the purpose of entitlement of cash dividend to the transferees and for determination of entitlement to attend and vote at the meeting.
2. A member eligible to attend and vote at this meeting may appoint his / her proxy to attend and vote instead of him/her. Proxies in order to be effective must reach the Company's registered office not less than 48 hours before the time for holding the meeting. Proxies of the Members through CDC shall be accompanied with attested copies of their CNIC. In case of corporate entity, the Board's Resolution/power of attorney with specimen signature shall be furnished along with proxy form to the Company. The members through CDC are requested to bring original CNIC, A/C No. and Participant ID to produce at the time of attending the meeting.
3. As per Section 242 of the Companies Act 2017 dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholder. Members who have not yet provided their International Banking Account Number (IBAN) are requested to provide the IBAN together with a copy of CNIC to the Central Depository Company or to their participant or to us in case of physical shareholding. In case of non-submission, all future dividend payments may be withheld. Members are also requested to submit declaration (CZ-50) as per Zakat & Ushr Ordinance, 1980 for Zakat exemption and to advise change in address, if any.

By order of the Board

Lahore:
September 18, 2019

(Muhammad Asif)
Company Secretary

4. Members, who by any reason, could not claim their dividend or bonus shares, are advised to contact our shares Registrar M/S CORPLINK (PVT) LIMITED to collect/enquire about their unclaimed dividend or pending shares, if any. Please note that in compliance with Section 244 of the Companies Act, 2017 after having completed the stipulated procedure, all dividends unclaimed for a period of three years, from the date due and payable, shall be deposited to the credit of the Federal Government and in case of shares, shall be delivered to the Securities & Exchange Commission of Pakistan(SECP).
5. As per Circular No. 10 of 2014 dated May 21, 2014, issued by the SECP the members holding aggregate ten percent or more shareholding residing in geographical location may participate in the meeting through video conference. In this regard a prescribed form is available at <http://kel.com.pk/investorinfo.htm>. To avail this facility, please provide the following information to the shares registrar of the Company.
6. As per SRO 787(I) (2014) dated Sep 08, 2014 issued by the SECP the shareholders have an option to receive Annual Financial Statements and notice of AGM through email. In this regard the members are advised to send their consent on prescribed format as available at www.kel.com.pk to our shares registrar. The SECP through its SRO 470(I)/2016 dated May 31, 2016 has allowed the companies to circulate the annual financial statements through CD/DVD/USB. However a shareholder may request to the Company at Tablighi Ijtima Raiwind Bypass Lahore to provide the printed copy of Annual Financial Statements which shall be provided free of cost.



The diversified and the multi regional people from Japan and Pakistan are serving on the Board of your Company. and thus poised to help the Company to contribute more towards the sustainable performance of our business enhancing the value for the shareholders.

The Board of your Company is closely engaged with senior management for ensuring consistency in safe, reliable and efficient operations of the plant. The power plant despite of relatively low dispatch requirement from the power purchaser and mounting overdue amounts that are stuck-up with WAPDA, has demonstrated a sound financial performance.

The Company posted net profit after tax of Rs.551 million by demonstrating earning per share (EPS) of Rs. 3.25 as compared to net profit after tax of Rs. 730 million with an EPS of Rs. 4.31 demonstrated last year. Due to induction of new power plants, which are based on LNG and coal technologies, the demand of electricity from oil fired power plants has been effected.

It takes immense pleasure to inform you that the Board of Directors has proposed a final cash dividend of Rs 2.00 per share. This makes total annual payout to be Rs 5.0 (50%), including two interim dividend distributions of Rs 1.50 each per share paid during the financial 2018-19.

Your Company is privileged with a dedicated and enthused workforce of nearly 150 fulltime working people who are adhered to standard operating procedures devised for the efficient, safe and reliable operations of the power complex. Resultantly the Company has won the confidence and satisfaction of the power purchaser.

I am confident that our hardworking team, led by well experienced and committed management team guided by a strong Board of Directors, will continue to deliver sustainable and growing returns to investors of the Company. I thank you all again for your on going support.

Lahore
September 18, 2019

M. Naseem Saigol
Chairman

DIRECTORS' REPORT

The Board of Directors feels pleasure to present the Annual Report together with the audited financial statements of the Company for the financial year ended June 30, 2019.

Principal Activities

The principal business objective of the Company is to own, operate and maintain a furnace oil fired power station with a net capacity of 124 MW (gross capacity of 131.44 MW).

Financial Results

We report that during the financial year ended June 30, 2019 total sales revenue of the Company touched remained Rs. 7,505 million compared to Rs. 8,283 million recorded during the previous financial year. The Company earned net profit after tax of Rs. 551 million and demonstrated Earnings Per Share (EPS) of Rs. 3.25 as compared to Rs. 730 million (with an EPS Rs. 4.31) earned during the last financial year. It would be more worthy for the shareholders that the Company achieved the current year profit after tax of Rs. 551 million even after making a provision of Rs. 431 million, against the amount disputed by WAPDA, as discussed in detail below. Another factor for the reduction in profit is the lower dispatch from WAPDA. During the year under review the plant's capacity factor remained 35.67% as compared to 59.42% in the last year.

We summarized the financial results of the Company for the year ended June 30, 2019 as follows:-

	2019	2018
	(Rupees in thousand)	
Profit before taxation	551,592	730,138
Taxation	(115)	(240)
Profit after taxation	551,477	729,898
Other comprehensive (loss) / income	(8,483)	(18,781)
Total comprehensive income for the year	542,994	711,117
Un-appropriated profit brought forward	4,310,877	4,362,323
Available for appropriations	4,853,871	5,073,440
Final Dividend 2017-18 @ 10% (Final Dividend 2016-17 @ 20% paid during FY 2017-18)	(169,459)	(338,917)
1st Interim Dividend 2018-19 @ 15% (1st Interim Dividend 2017-18 @ 15% paid during FY 2017-18)	(254,187)	(254,187)
2nd Interim Dividend 2018-19 @ 15% (2nd Interim Dividend 2017-18 @ 10% paid during FY 2017-18)	(254,187)	(169,459)
	(677,833)	(762,563)
Un-appropriated profit carried forward	4,176,038	4,310,877
Earnings per share	Rupees 3.25	4.31



With respect to the provision against disputed receivables, we apprise the shareholders that during the year ended June 30, 2010 WAPDA disputed the eligibility of indexation on non-escalable component (NEC) of the capacity purchase price relating to the period subsequent to the repayment of foreign currency loan taking the stance that under the Power Purchase Agreement (PPA) indexation is allowed until the repayment of foreign currency loan, and since the loan was fully repaid in September, 2008, therefore no indexation was to be allowed from September, 2008 onwards. WAPDA had earlier paid this amount relating to the period from September, 2008 to September, 2009 amounting to Rs. 431 million but subsequently withheld this amount in June 2010.

During the ended June 30, 2011, the management of the Company referred the matter to an Expert who decided in favor of the Company and stated that the full amount of Rs. 431 million to be refunded to the Company. However, WAPDA did not accept the decision of the Expert, giving the reason that Expert's decision is not binding pursuant to the PPA because the dispute has been pending for more than 9 years, therefore, the Board has decided to record a provision against the disputed receivables.

The status of the matter related to the imposition of liquidated damages as detailed in Note 11.1.1 to the financial statements is the same as reported to you earlier. The Management and the legal counsel are of the opinion that the matter will be settled in Company's favor if the dispute is referred to Arbitration. Therefore, the Company has not made any provision in the attached financial statements.

Moreover, on the matter related to sales tax demand raised by the Federal Board of Revenue (the FBR) as detailed in Note 11.1.2 to the financial statements, we report that the matter is at Supreme Court of Pakistan. The management is of the view that since there are meritorious grounds to defend the case therefore no provision for the demand has been made in these financial statements.

We take this opportunity inform you that recoveries from the power purchaser (WAPDA) are still on lower side as compared to our billings for the power supply. Consequently the overdue amounts payable by WAPDA are mounting up. We are constantly pursuing the matter with the power purchaser, PPIB and the Ministry of Energy for an early recovery of the over dues. It is worth to mention that despite of mounting overdue amount the Company is complying with all the dispatch instructions of the power purchaser solely in the best interest of the country.

Dividend Distribution

The Board takes pleasure in recommending to the shareholders of the Company for their approval in the ensuing AGM, a final dividend at the rate of Rs. 2.00 per share (i.e. @ 20%) which will be paid to those shareholders whose names would appear on members' register on the date as mentioned in the notice of AGM. This final dividend, together with two interim dividends which have already been paid @15% each in February 2019 and April 2019 respectively, shall make the cumulative dividend distribution for the financial year 2018-19 to be 50%.

Operations

During the financial year ended June 30, 2019, due to lower demand from the power purchaser, the power plant by operating at 35.67% dispatched 387,435 MWh of electricity as compared to 59.42% capacity factor dispatched 645,395 MWh of electricity during the previous financial year. During



the FY under review three engines reaching at 116k and one reaching at 108k operational hours have been overhauled under 8k major maintenance program as compared to two at 116k and four at 108k operational hours overhauled under major maintenance program last year. All of the major maintenance work is being done by our own technical team. The scheduled and unscheduled maintenances have been successfully carried out in accordance with the budgeted numbers and plans. We pleurably report that all of the engines and their respective auxiliary equipment are in good condition for safe and reliable operations.

We also update you that due to some malfunctioning, one of the generators was shutdown, which was replaced with the new generator by our insurer under the insurance arrangements we have with them. In this regard as per the arrangements with the insurer, the insurance claim was fully settled to our satisfaction and received accordingly.

We take pleasure to report that the Company is maintaining its track record of successfully qualifying the Annual Dependable Capacity Test (ADC), conducted by WAPDA on May 03, 2019 even after completion of 22 operational years the plant is still in excellent condition and the plant demonstrated a capacity of 129.78 MW, which is pretty higher than the net contractual capacity of 124 MW. The Board of Directors recognizes and appreciates the hardworking and dedication of the management and all the employees of the Company that resulted in such remarkable achievement.

Risk Management

The risk management principles are geared to identifying and analyzing the risks to which the Company is exposed and to establishing the appropriate control mechanisms. The principles of risk management and the processes applied are regularly reviewed, taking due regard and changes in the industry and in the activities of the Company. The ultimate goal is to develop controls, based on the existing training management guidelines and conscious approach to risks.

Operational Risks

The management has established a very comprehensive system of identifying the operational risks. The Quality & EHS function at power plant is fully responsible to discharge its responsibilities to identify, measure and to take necessary steps to address and mitigate the probabilities of malfunctioning or any unforeseen event. Standard Operational Procedures (SOPs) and contingency plans are in consistent with the international quality standards. The SOPs implanted at plant are backed by thorough studies and practices, and are in place to ensure the safe and reliable operations.

Financial Risks

The financial risk management is disclosed in note 31 to these financial statements of the Company.

Credit Rating

We report that the Pakistan Credit Rating Agency (PACRA) has maintained the same rating as awarded last year i.e. "AA" (Double A) and "A1+" (A one plus) for the long-term and short-term entity ratings of the Company respectively. The ratings denote a very low expectation of credit risk and strong capacity for timely payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.



The ratings reflect robust financial profile of the Company. The ratings recognize the successful management of Operations and Maintenance (O&M) activities in-house and outcome of technically sound management, robust systems and controls and strong management structure of the Company.

Statements in compliance to the Code of Corporate Governance (CCG)

The Directors state that:

- The financial statements, prepared by the management of the Company, present its state of affairs fairly, the result of its operations, cash flows and changes in equity;
- Proper books of account of the Company have been maintained;
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements;
- The system of internal control is sound in design and has been effectively implemented and monitored;
- There are no significant doubts upon the Company's ability to continue as a going concern
- The key operating and financial data of last five years is attached to the report
- During the financial year under review the Board of Directors (BoD) and the Audit Committee (AC) met, each for five times. The names of the persons who remain on the board during the FY 2018-19 and their attendance is as follows:

Name of Director	Attendance	
	BOD	AC
Mr. M. Naseem Saigol	1/5	
Mr. S M Shakeel	5/5	
Mr. Ichiro Kawano	4/5	
Mr. Hirotochi Ugajin	2/3	2/3
Mr. Shingo Ito	4/5	4/5
Ms. Mariko Ueda	4/5	4/5
Mr. Ryo Aoe	2/2	2/2
Mr. Muhammad Asad Khan	2/2	
Mr. Faisal Riaz	1/3	

The Board granted leaves of absence to the board members who could not attend the board meeting(s)

- During the financial year under review the HR and Remuneration Committee met for one time and Mr. S M Shakeel, Ms. Mariko Ueda, Mr. Ryo Aoe and Mr. Shingo Ito attended the said meeting.
- The Chief Executive Officer, Directors, Chief Financial Officer, Company Secretary and their spouse and minor children have made no sale/purchase of Company's shares during the year July 01, 2018 to June 30, 2019.
- The Company has established Employees Gratuity Fund and registered with the concerned authority. Annual provision has been made on actuarial valuation basis to cover obligation under the scheme for all employees eligible to gratuity benefits irrespective of the qualifying period. The value of the investments of Gratuity Fund as on June 30, 2019 was Rs. 302.805 million.
- The Board has formed Audit Committee. It comprises of three non-executive directors. And an independent director is the Chairman of the Committee
- The Board as required by CCG for reporting on trade in shares of the Company, has defined that the expression 'Executive' shall means the CEO, COO, CFO, Head of Internal Audit, Company Secretary and the Managers / Departmental Heads of the Company by whatever name called

Changes on the Board

We write to inform you that since the last annual general meeting held on October 23, 2018 Mr. Muhammad Asad Khan and Mr. Hirotochi Ugajin have relinquished the offices of Director and in their places the Board has appointed Mr. Faisal Riaz and Mr. Ryo Aoe as Directors of the Company with effect from January 07, 2019 and April 12, 2019 respectively for the remainder of the term of the outgoing directors.

The Board wishes to record its appreciation for the valuable services rendered by Mr. Asad Khan as Board member and Mr. Ugajin as Director and member of the board committees and extends its warm welcome to Mr. Faisal and Mr. Aoe as new Directors of the Company.

Corporate Social Responsibility (CSR)

The board takes pleasure to report that as part of our business strategy the community welfare programs are steadily running with full dedication and enthusiasm. We write to inform you that for supporting to the surrounding community the CSR program includes contribution on free medical treatment facility and free education facility for deserving children of the people living in the vicinity of the power plant:

a) Medical Facility

The first kind of CSR program of the Company is to provide free medical treatment facilities to the people residing in the vicinity areas of the power plant. A qualified and experienced medical team comprises of a MBBS doctor and competent medical staff is serving the people with passion and devotion. During the FY 2018-19 total 12,935 deserving patients have been provided with medical care at a cost of Rs. 6.729 million.

b) Education Facility

The management of your Company in contribution to another CSR program also investing a handsome amount on free education facility to the deserving children of the neighboring community. We believe that such contribution to the under privileged society is playing an important role in uplifting the living standard of our neighboring community. We report that presently 163 students are being provided with education, of which the earliest three batches of students have passed out their secondary school certificate. The education facility is inclusive of providing tuition, books/stationary and uniform for free of cost.

Moving ahead we are also supporting to the talented children from among the passing out students to continue their further studies at graduation level. We take pleasure to inform you that after inclusion of six more students, total twelve students are benefiting from the higher education level support program. In this regard said students have been enrolled in private colleges where they being provided with uniform, tuition fee and transportation fully sponsored by the Company. During the year in overall the Company has contributed Rs. 5.951 million on account of education facility,

Impact on Environment

We work meticulously to reduce our environmental impacts from the procurement of raw materials to the generation of electricity. Our environmental stewardship initiatives help

protects the environment while improving efficiency, reducing costs and using energy and natural resources efficiently.

Our environmental policy achieves the following objectives:

- Improve the efficiency and sustainability of our business activities and products.
- Reduce wastes and prevent environmental pollution.
- Use energy and natural resources efficiently.

We recognize the interrelated nature of these three priorities. Our work in one area unavoidably affects the others. Therefore, KEL have developed comprehensive management and governance systems to ensure that environmental considerations are fully integrated into our day-to-day planning and operations.

We seek to identify and mitigate climate-related challenges and risks that are posed to our supply-chain and operations through our management and policies. Reducing our environmental footprint in our operations is a core part of KEL's business strategy as we respond to global external pressures, such as climate change, extreme weather events and growing resource scarcity. Through developing policies and making responsible choices that allow us to react quickly and be flexible when responding to such events, we ensure that our businesses and operations are resilient, and that we operate in an environmentally and socially responsible manner.

Our environmental impacts are closely interconnected and our approach to managing them must be integrated as well. We have developed comprehensive management and governance systems that reflect our priorities and ensure they are fully incorporated within our day-to-day planning and business processes. Our commercial operations are designed to achieve the objective of reducing our environmental footprint. We work towards a sustainable future whilst keeping the Company's interest in mind.



Our environment, health and safety strategy – commits us to advancing KEL Environment, Health and Safety (EHS) by:

- Developing a work environment that promotes employee health and productivity and strives to be injury-free.
- Conserving our natural resources by improving the efficiency and sustainability of our operations, reducing greenhouse gas emissions and water use and minimizing waste.
- Continuing to strengthen EHS practices across all aspects of the business, in addition to maintaining compliance with applicable requirements.



Internal Control System of the Company

The management has adopted all the internal control policies and procedures in achieving management’s objectives of ensuring, as far as practicable, the orderly and efficient conduct of its business, including adherence to management policies, the safeguarding of assets, the prevention and detection of fraud and error, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information.

Auditors

The present statutory auditors of the Company M/s A. F. Ferguson & Co. Chartered Accountants retire and being eligible, offer themselves for reappointment. The Audit Committee and the Board of Directors of the Company have endorsed their re-appointment for shareholders consideration in the forthcoming AGM.

Pattern of Shareholding

A statement of pattern of shareholding and additional information as at June 30, 2019 is annexed to the Annual Report.

Acknowledgement

The Board placing on record thanks to the valuable shareholders, WAPDA, financial institutions Wartsila, Pakistan State Oil and other suppliers for their continued trust and faith in the Company and their candid support that enabled the Company in serving the nation.

We also appreciate the management for establishing a modern and motivated working climate and promoting high levels of performance in all areas of the power plant. We also take this opportunity to thank our executives and staff members for their consistent support, commitment and hardworking enabling the Company in demonstrating safe and reliable operations. We are confident for having their long life relationship with the Company.



For and on behalf of the Board

Lahore
September 18, 2019

S M Shakeel
Chief Executive

Shingo Ito
Director

ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کمپنی کے مالی حسابات کے ساتھ سالانہ رپورٹ برائے مدت ختمہ 30 جون 2019 خوشی محسوس کرتے ہوئے پیش کرتے ہیں۔

اہم سرگرمیاں

کمپنی کا بنیادی مقصد فرانس آئل سے چلنے والے 124 میگا واٹ کی خالص گنجائش (کل استعداد 131.44 میگا واٹ) بجلی گھر کی ملکیت، اسے چلانا اور اس کی دیکھ بھال کرنا ہے۔

مالی نتائج



جون 2010 کو ختم ہونے والے سال کے دوران واپڈا نے غیر ملکی کرنسی کے قرضے کی ادائیگی کے بعد کی مدت سے متعلق کپسٹی پر چیز پراس کے نان ایکسیلیبل جزو کی اہلیت کی مد میں اختلاف کرتے ہوئے یہ منوقف اختیار کیا کہ پاور پر چیز کے معاہدے میں غیر ملکی کرنسی کے قرضے کی ادائیگی تک انڈیکسیشن لے سکتے ہیں کیونکہ ستمبر 2008 میں قرضے کی پوری ادائیگی ہو گئی تھی۔ اس لئے ستمبر 2008 کے بعد سے انڈیکسیشن لینے کی اجازت نہیں ہے۔ واپڈا نے ستمبر 2008 سے لے کر ستمبر 2009 تک کی اس مدت میں ادائیگی کردی اور جون 2010 میں اس عرصے کی ادائیگی کی مدت میں سے 431 ملین روپے کی رقم روک لی۔

30 جون 2011 کو ختم ہونے والے مالی سال کے دوران کمپنی کی انتظامیہ نے معاملے کو ایک expert کے حوالے کیا۔ جس نے یہ فیصلہ دیا کہ 431 ملین روپے کی پوری رقم کمپنی کو واپس کی جائے البتہ واپڈا نے expert کے اس فیصلے کو یہ کہتے ہوئے رد کر دیا کہ expert کا فیصلہ پاور پر چیز معاہدے کے مطابق پابند نہیں ہے کیونکہ تنازعہ 9 سال سے زیادہ عرصے سے زیر التوا ہے، اس لئے بورڈ نے یہ فیصلہ کیا ہے کہ تنازعہ وصولی کے لئے پروٹون قائم کر لیں۔

ہم رپورٹ کرتے ہیں کہ 30 جون 2019 کو ختم ہونے والے مالی سال کے دوران کمپنی کی مجموعی فروخت آمدنی 7,505 ملین روپے ریکارڈ کی گئی جبکہ گزشتہ مالی سال میں 8,283 ملین روپے ریکارڈ کی گئی تھی۔ کمپنی نے 551 ملین روپے کا بعد از ٹیکس منافع حاصل کر کے 3.25 روپے کی فی حصص آمدنی کا مظاہرہ کیا جبکہ پچھلے سال بعد از ٹیکس منافع 730 ملین روپے اور فی حصص آمدنی 4.31 روپے تھی۔ یہ حصص یافتگان کے لئے زیادہ قابل قدر ہے کہ کمپنی نے بعد از ٹیکس 551 ملین روپے کا منافع کمایا جبکہ منافع کی پروٹون واپڈا سے اختلاف کی وجہ سے 431 ملین روپے مقرر کی تھی، جس کی تفصیل ذیل میں درج ہے۔ اس سال کے دوران پلانٹ واپڈا کی ڈیمانڈ پر 35.67% چلا جبکہ پچھلے سال 59.42% چلا تھا۔

ہم نے کمپنی کے سالانہ مالی نتائج کو 30 جون 2019 کے اختتام پر ذیل میں مختص کیا ہے۔ تنازعہ وصولی کی پروٹون کی مدتیں ہم شیئر ہولڈرز کو آگاہ کرتے ہیں

2018 2019

(روپے ہزار میں)

730,138	551,592
(240)	(115)
729,898	551,477
(18,781)	(8,483)
711,117	542,994
4,310,877	4,362,323
4,853,871	5,073,440
(338,917)	(169,459)
(254,187)	(254,187)
(169,459)	(254,187)
(762,563)	(677,833)
4,310,877	4,176,038
4.31	3.25

قبل از ٹیکس منافع	730,138	551,592
ٹیکس	(240)	(115)
بعد از ٹیکس منافع	729,898	551,477
دیگر جامع (خسارہ) / آمدنی	(18,781)	(8,483)
کل وسیع جامع آمدنی برائے سال	711,117	542,994
غیر مختص شدہ منافع	4,310,877	4,362,323

حتمی منافع منقسمہ 10%@ 2017-18 (حتمی منافع منقسمہ 20%@ 2016-17 مالی سال 2017-18 کے دوران ادا کیا گیا)
 پہلا عبوری منافع منقسمہ 15%@ 2018-19 (پہلا عبوری منافع منقسمہ 15%@ 2017-18 جو مالی سال 2017-18 میں ادا کیا گیا)
 دوسرا عبوری منافع منقسمہ 15%@ 2018-19 (دوسرا عبوری منافع منقسمہ 10%@ 2017-18 جو مالی سال 2017-18 میں ادا کیا گیا)

غیر ادا شدہ منافع

آمدنی فی شیئر

روپے

سال دو انجن جو کہ 116K اور چار انجن 108K آپریشنل گھنٹے کو 8K میجر مینٹی نینس پروگرام کے تحت اور ہال کیا گیا۔

تمام شیڈولڈ اور ان شیڈولڈ مینٹی نینس مقررہ طریقہ کار اور بجٹ کے مطابق کامیابی کے ساتھ کی گئی ہے۔ ہمیں یہ بتاتے ہوئے خوشی محسوس ہو رہی ہے کہ تمام انجن اور معاون آلات، محفوظ اور قابل بھروسہ آپریشنز کے لیے بالکل ٹھیک حالت میں ہیں۔ ہم آپ کو یہ بھی آگاہ کرتے ہیں کہ جزیٹروں میں سے ایک جزیٹرو کچھ خرابی کی وجہ سے بند ہو گیا تھا جسے ہماری انشورنس کمپنی نے ہمارے ساتھ کئے گئے انشورنس معاہدے کے مطابق تبدیل کر دیا ہے۔ اور معاہدے کے مطابق وصول ہو گیا ہے۔

ہمیں یہ بتاتے ہوئے بھی خوشی ہے کہ ہم نے واپڈا کی طرف سے 03 مئی 2019 کو لیے جانے والے ADC Test (Annual Dependable Capacity Test) کو کامیابی سے کو ایفائی کیا۔ ہم کامل یقین کے ساتھ یہ بتا رہے ہیں کہ کارکردگی کے 22 سال مکمل کرنے کے باوجود پاور پلانٹ بہترین حالت میں ہے۔ نتیجتاً اس نے 129.78 MW استعداد کی قابل تعریف پرفارمنس کا مظاہرہ کیا جو 124 MW کی مجموعی معاہداتی استعداد سے کہیں زیادہ ہے۔

بورڈ آف ڈائریکٹرز مینجمنٹ اور ملازمین کی انتھک محنت کو سراہتا ہے جس کی بدولت یہ نمایاں کامیابی حاصل ہوئی

رسک مینجمنٹ

خطرات کے انتظامی اصول خطرات کی نشاندہی، ان کا تجزیہ کرنے اور ان کو روکنے کے لئے مناسب اور مربوط طریقہ کار وضع کرتے ہیں جس کا کمپنی کو سامنا ہے۔ انڈسٹری میں ہونے والی تبدیلیوں اور کمپنی کی موجودہ سرگرمیوں کو مد نظر رکھتے ہوئے خطرات کے انتظام کے تمام لاگو قواعد و ضوابط کا باقاعدگی سے جائزہ لیا جاتا ہے۔ جس کا اہم مقصد خطروں سے نمٹنے کے لئے موجودہ تربیتی نظام کے نقطہ نظر اور اصولوں کے مطابق طریقہ کار وضع کرنا ہے۔

آپریشنل خطرات

مینجمنٹ نے آپریشنل خطرات کی شناخت کے لئے ایک مکمل اور مربوط طریقہ کار وضع کیا ہے۔ پلانٹ پر کسی بھی قسم کے خطرے کی شناخت کرنے اور غیر متوقع خطرے کے وقوع پذیر ہونے کو کم کرنے کے لئے ضروری حفاظتی اقدامات کرنا مکمل طور پر کوالٹی اور EHS فنکشن کی ذمہ داری ہے۔ معیاری آپریشنل طریقہ کار ہنگامی منصوبے بین الاقوامی معیار کے مطابق ہیں پلانٹ پر استعمال ہونے والے تمام آپریشنل طریقہ کار کے پیچھے کڑی محنت اور پریکٹس ہے اور پلانٹ کے آپریشنز کو بہتر اور محفوظ بنانے کے لئے بروئے کار ہیں

مالیاتی خطرات

کمپنی کے مالیاتی خطرات کے انتظام کو کمپنی کے مالیاتی حسابات کے نوٹ نمبر 31 میں واضح کر دیا گیا ہے۔

کریڈٹ ریٹنگ

کمپنی کی کریڈٹ ریٹنگ جیسا کہ پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے کمپنی کی طویل المدت اور قلیل المدت entity ریٹنگز کے طے کی ہیں، اسی طرح سے بالترتیب "AA" (ڈبل اے) اور "A1+" (اے ون پلس) ہیں۔ یہ ریٹنگز کریڈٹ رسک کے نہ ہونے کے برابر خطرے کو ظاہر کرتی ہیں۔ یہ مالیاتی وعدوں کی بروقت پاس داری کی مضبوط گنجائش کی طرف اشارہ کرتی

مالیاتی گوشوارے کے نوٹ 11.1.1 میں لیکویڈیٹی نقصانات کے نفاذ سے متعلق معاملے کی حیثیت وہی ہے کہ جیسا کہ آپ کو پہلے بتایا گیا ہے۔ انتظامیہ اور قانونی وکیل کی رائے کے مطابق اگر یہ تنازعہ ثالثی کے حوالے کیا گیا تو فیصلہ کمپنی کے حق میں ہوگا۔ اس لئے کمپنی نے منسلک مالیاتی گوشوارے میں کوئی پروژن نہیں رکھی۔

مزید یہ کہ مالیاتی گوشوارے کے نوٹ 11.1.2 میں فیڈرل بورڈ آف ریونیو کی طرف سے سلیر ٹیکس بڑھانے کے مطالبے پر ہم یہ رپورٹ کرتے ہیں کہ یہ معاملہ پاکستان سپریم کورٹ کے زیر سماعت ہے۔ کمپنی کی انتظامیہ کا یہ کہنا ہے کیونکہ اس کیس کے دفاع کے لئے بہت ساری بنیادیں ہیں اس لئے مالیاتی گوشوارے میں اس کی پروژن رکھنے کی ضرورت نہیں ہے۔

ہم آپ کو یہ مطلع کرتے ہیں کہ بجلی کے خریدار (واپڈا) سے وصولی ہمارے یلوں کے مقابلے میں ابھی بھی چلی سطح پر ہے جس کی وجہ سے واپڈا کی طرف سے واجب الاداء رقم میں اضافہ ہو رہا ہے۔ ہم بجلی کے خریدار، PPIB اور وزارت توانائی سے واجب الاداء رقم کی جلد وصولی کے لئے مسلسل کوشش کر رہے ہیں۔ یہ بات قابل ذکر ہے کہ بڑھتی ہوئی واجب الاداء رقم کے باوجود کمپنی ملک کے مفادات کو سامنے رکھتے ہوئے بجلی کے خریدار کی، بجلی کی ڈیمانڈ کی تمام ہدایات پر مکمل طور پر عمل درآمد کر رہی ہے۔



منافع منقسمہ کی تقسیم

بورڈ آف ڈائریکٹرز خوشی کے ساتھ، کمپنی کے شیئرز ہولڈرز کے لیے اگلے سالانہ اجلاس عام میں 2.00 روپے فی شیئر (20% کی شرح سے) حتمی منافع منقسمہ کی منظوری کی سفارش کرتا ہے، جو ان شیئرز ہولڈرز کو ادا کیا جائے گا جن کے نام اس تاریخ کو جو سالانہ اجلاس عام کے نوٹس میں درج ہوگی، ممبران کے رجسٹر میں موجود ہوں گے۔ دو پچھلے عبوری منافع منقسمہ، جو پہلے ہی مارچ 2019 میں 15% اور مئی 2019 میں 15% کی شرح سے ادا کیے جا چکے ہیں، کو ساتھ ملا کر یہ حتمی منافع منقسمہ جو 2018-19 کے مالی سال کے لیے کل منافع منقسمہ بنے گا، 50% ہو جائے گا۔

آپریشنز

ہم آگاہ کرتے ہیں کہ زیر بحث مالی سال کے دوران پاور کمپلیکس نے 35.67% استعدادی محرک کے طور پر کام کیا جبکہ پچھلے سال کی تریل 59.42 فیصد کی استعداد پر رہی۔ اس کے نتیجے میں کمپنی نے واپڈا کو 387,435 MWhs بجلی فراہم کی، جبکہ پچھلے سال یہ فراہمی 645,395 MWhs تھی۔ زیر غور مالی سال کے دوران تین انجن جو کہ 116K اور ایک انجن 108K آپریشنل گھنٹے مکمل کر چکے تھے انہیں 8K میجر مینٹی نینس پروگرام کے تحت اور ہال کیا گیا جبکہ پچھلے

- ☆ فائنانشل سٹیٹمنٹس کی تیاری میں اکاؤنٹنگ کی مناسب پالیسیوں کا مسلسل اطلاق کیا گیا ہے اور اکاؤنٹنگ کے تخمینوں کی بنیاد مناسب اور معقول فیصلوں پر ہے۔
- ☆ فائنانشل سٹیٹمنٹس کی تیاری میں فائنانشل رپورٹنگ کے بین الاقوامی معیارات، جیسے کہ پاکستان میں قابل اطلاق ہیں کی پابندی کی گئی ہے
- ☆ داخلی کنٹرول کے نظام کو موثر طریقے سے نافذ کیا گیا اور اس پر نظر رکھی گئی ہے۔
- ☆ کمپنی کے آگے بڑھنے کی قابلیت کے بارے میں کوئی شبہ نہیں ہے۔
- ☆ پیچھے چھ سال کا آپریٹنگ اور فائنانشل ڈیٹا اس رپورٹ کے ساتھ منسلک ہے۔
- ☆ زیر جائزہ مالی سال کے دوران بورڈ آف ڈائریکٹرز اور آڈٹ کمیٹی کے پانچ اجلاس ہوئے اور سال 2018-19 کے دوران بورڈ پر رہنے والے ڈائریکٹرز کے نام اور حاضری درج ذیل ہے:

حاضری			حاضری		
آڈٹ کمیٹی	بورڈ	ڈائریکٹر کا نام	آڈٹ کمیٹی	بورڈ	ڈائریکٹر کا نام
	4/5	جناب اجیر وکوانو		1/5	جناب نسیم سہگل
	1/3	جناب فیصل ریاض		5/5	جناب ایس ایم شکیل
2/3	2/3	جناب بہر وٹوشی اوگا جن	4/5	4/5	جناب شنگو ایتو
	2/2	جناب محمد اسد خان	2/2	2/2	جناب رایو آوئے
			4/5	4/5	محترمہ ماریکو اوایدا

بورڈ نے ان بورڈ ممبرز کی رخصت کی منظوری دی جو اجلاس (اجلاسوں) میں شریک نہیں ہو سکے۔

ہیں کہ 123 اکتوبر 2018 کو منعقد ہونے والے سالانہ اجلاس عام کے بعد جناب محمد اسد خان اور جناب بہر وٹوشی اوگا جن نے ڈائریکٹر کا عہدہ چھوڑ دیا ہے اور بورڈ نے ان کی جگہ جناب فیصل ریاض اور جناب رایو آوئے جن کو سبکدوش ہونے والے ڈائریکٹر کی بقیہ مدت کے لیے 07 جنوری 2019 اور 12 اپریل 2019 سے کمپنی کا ڈائریکٹر مقرر کیا ہے۔ جناب محمد اسد خان اور جناب بہر وٹوشی اوگا جن نے ڈائریکٹر کی حیثیت سے جو گراں قدر خدمات انجام دیں، بورڈ آف ڈائریکٹرز ان کو سراہتا ہے اور کمپنی کے نئے ڈائریکٹر کی حیثیت سے جناب فیصل ریاض اور جناب رایو آوئے کا پر جوش خیر مقدم کرتا ہے۔

کارپوریٹ سماجی ذمہ داریاں (CSR)

ہم آپ کو بخوشی آگاہ کرتے ہیں کہ آس پاس رہنے والی آبادی کی مدد CSR پروگرام ہمارے کاروباری انداز فکر کا اہم حصہ رہا ہے۔ ہم یہ اطلاع دیتے ہیں کہ بجلی گھر کے قرب وجوار میں رہنے والوں کو علاج معالجے کی مفت سہولت اور مستحق بچوں کی مفت تعلیم ہمارے CSR پروگرام کی توجہ کا محور رہی ہے۔

(a) طبی سہولت

CSR پروگرام کی پہلی بجلی گھر کے آس پاس کے علاقے کے مستحق لوگوں کو مفت علاج معالجے کی سہولت فراہم کرنا ہے۔ کوالیفائیڈ ڈاکٹرز اور اسٹاف پر مشتمل ایک باصلاحیت میڈیکل ٹیم پورے خلوص کے ساتھ مریضوں کی خدمت کر رہی ہے۔ ہم آگاہ کرتے ہیں کہ مالی سال 2018-19 کے دوران 6.729 ملین روپے سے 12.935 ملین روپے مستحق مریضوں کا علاج معالجہ کیا گیا۔

ہیں۔ مستقبل قریب میں یہ گنجائش کسی قابل قدر خطرے سے دوچار ہوتی نظر نہیں آتی۔ یہ ریٹنگ کمپنی کے مضبوط فائنانشل پروفائل کی عکاسی کرتی ہیں۔ یہ ریٹنگ کمپنی کے اندر آپریٹنگ اینڈ مینٹیننس (O&M) سرگرمیوں کے کامیاب انتظام کا اعتراف اور فی اعتبارہ سے مضبوط انتظام، مستحکم سسٹمز اور کنٹرول اور کمپنی کے طاقت و راتنظامی ڈھانچے کی عکاسی کرتی ہیں۔

کوڈ آف کارپوریٹ گورننس کی تعمیل میں سٹیٹمنٹس

ڈائریکٹرز بیان کرتے ہیں کہ:

- ☆ فائنانشل سٹیٹمنٹس، جو کمپنی کی انتظامیہ کی طرف سے تیار کیے گئے ہیں، اس کے حالات، آپریٹنگ کے نتائج، کیش فلوز، اور ایکویٹی میں تبدیلیوں کی سچائی کے ساتھ عکاسی کرتے ہیں۔
- ☆ کمپنی کے حسابات کو کھاتوں میں مناسب طریقے سے درج کیا گیا ہے۔

☆ زیر غور مالی سالی کے دوران ایچ آر اور مشاہرہ کمیٹی کا ایک اجلاس ہو جس میں جناب ایس ایم شکیل، محترمہ ماریکو اوایدا، جناب رایو آوئے اور جناب شنگو ایتو شریک ہوئے۔

☆ یکم جولائی 2018 سے 30 جون 2019 کے سال کے دوران چیف ایگزیکٹو آفیسر، ڈائریکٹرز، چیف فائنانشل آفیسر، کمپنی سیکرٹری، ان کی بیگمات اور نابالغ بچوں نے کمپنی کے شیئرز کی کوئی خرید و فروخت نہیں کی۔

☆ کمپنی نے ایمپلائز گریجویٹ فنڈ قائم کیا اور اسے متعلقہ اتھارٹی کے پاس رجسٹر کرایا۔ سالانہ تخصیص اصل ویلوشن کی بنیاد پر کی گئی تاکہ اس اسکیم کے تحت ان تمام ملازمین کی ذمہ داری پوری کی جاسکے جو کو ایفاننگ مدت سے قطع نظر گریجویٹ کے فوائد کا حق رکھتے ہیں۔ 30 جون 2019 کو گریجویٹ فنڈ میں سرمایہ کاری کی ویلیو 302.805 ملین روپے تھی۔

☆ بورڈ نے آڈٹ کمیٹی قائم کی ہے۔ یہ بین نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہے۔ غیر جانبدار ڈائریکٹر اس کمیٹی کا چیئر مین ہے۔

☆ بورڈ نے، جیسا کہ کمپنی کے اندر شیئرز کی خرید و فروخت کے بارے میں اطلاع دینے کے لیے CCG کا تقاضا ہے، یہ تفریح کی ہے کہ لفظ "ایگزیکٹو" کا مطلب CEO, COO, CFO, ہیڈ آف انٹرنل آڈٹ، کمپنی سیکرٹری، اور کمپنی کے مینجنگ / شعبہ جاتی سربراہ ہوں گے خواہ انھیں کسی بھی نام سے پکارا جائے۔

بورڈ میں تبدیلیاں

اسپنشیئر ہولڈرز کو اس سے پہلے کی اطلاع کے علاوہ ہم آپ کو ایک بار پھر آگاہ کرتے

(b) تعلیمی سہولت

آپ کی کمپنی کی مینجمنٹ ایک اور CSR پروگرام کے تحت آس پاس کی آبادی کے مستحق بچوں کو مفت تعلیم فراہم کر رہی ہے اور اس طرح تعلیم کے ذریعے معاشرے کی ترقی میں اپنا کردار ادا کر رہی ہے۔ اس ضمن میں ہم آپ کو آگاہ کرنا چاہیں گے کہ اس وقت 163 اسٹوڈنٹس کو تعلیم دی جا رہی ہے، جن میں سے طلبہ کے پہلا تین بچے نے 10 ویں جماعت پاس کر لی ہے۔ اس سہولت میں تمام طلبہ کو مفت تدریس، نصابی کتب اور یونیفارم کی فراہمی شامل ہے۔ مزید برآں پاس ہونے والے بچوں میں سے باصلاحیت بچوں کے لئے گریجویٹیشن تک کی تعلیم کا بیڑا اٹھایا ہے اور ہمیں یہ بتاتے ہوئے مسرت ہو رہی ہے کہ بارہ میں سے چھ بچے پرائیویٹ کالجز میں داخل ہو گئے ہیں جہاں انھیں فیس، یونیفارم اور ٹرانسپورٹ کی سہولت بھی مہیا کی جا رہی ہے کمپنی نے سال کے دوران تعلیمی سہولت کی مدد میں 5.951 ملین روپے خرچ کیے۔

ماحول پر اثرات

ہم خام مال کی خریداری سے لے کر بجلی کی پیداوار تک اپنے ماحولیاتی اثرات کو کم کرنے کے لئے احتیاط سے کام کرتے ہیں۔ ہمارے ماحولیاتی اسٹیورسپ اقدامات ماحول کی حفاظت کرتے اور بہتر بناتے ہیں، اخراجات کو کم کرتے ہیں اور قدرتی وسائل کو منوثر طریقے سے بروئے کار لاتے ہیں۔ ہماری ماحولیاتی پالیسی مندرجہ ذیل مقاصد کو حاصل کرتی ہے:

- ہماری کاروباری سرگرمیوں اور مصنوعات کی کارکردگی کو بہتر بنانا

- ویسٹ کو کم کر کے ماحولیاتی آلودگی سے بچانا

- توانائی اور قدرتی وسائل کو منوثر انداز سے استعمال کرنا

ہم ان تینوں ترجیحات کی باہمی وابستگی کی نوعیت کو تسلیم کرتے ہیں۔ ایک علاقے میں ہمارا کام دوسروں کو غیر ضروری طور پر متاثر کرتا ہے لہذا کوہ نور انرجی نے یہ یقینی بنانے کے لئے ایک جامع نظام تیار کیا ہے تاکہ تحفظ ماحولیات ہماری منصوبہ بندی اور کاموں میں مکمل طور پر مربوط ہو۔ ہم آب و ہوا سے وابستہ چیلنجوں اور خطرات کی نشاندہی کرنے اور ان کو کم کرنے کی کوشش کرتے ہیں جو ہماری انتظامیہ اور پالیسیوں کو آپریشنز کی وجہ سے لاحق ہیں۔ اپنے کاموں میں ماحولیاتی آلودگی کو کم کرنا کوہ نور انرجی کی حکمت عملی کا بنیادی حصہ ہے۔ ہم اس بات کو یقینی بناتے ہوئے ماحول کو اپنی معاشرتی ذمہ داری سمجھ کر اپنا کام کرتے ہیں۔ ہمارے ماحولیاتی اثرات ایک دوسرے سے جڑے ہوئے ہیں اور ان کے انکے نظم و نسق کے لئے ہمارا طریقہ کار بھی مربوط ہونا چاہیے۔ ہم نے جامع مینجمنٹ اور گورننس سسٹم تیار کیا ہے جو ہماری ترجیحات کی عکاسی کرتے ہیں اور اسے یقینی بناتے ہیں کہ وہ ہماری روزمرہ کی منصوبہ بندی اور کام میں مکمل طور پر شامل ہے ہمارے کمرشل آپریشنز ماحولیاتی آلودگی کو کم کرنے کو مد نظر رکھ کر بنائے گئے ہیں ہم کمپنی کی بہتری کو نظر رکھتے ہوئے بہترین مستقبل کے لئے کام کرتے ہیں۔ ہماری ماحول، صحت اور حفاظت کی حکمت عملی کوہ نور انرجی کے ماحول، صحت اور حفاظت کو آگے بڑھانے کا عہد کرتی ہے:

- کام کے لئے ایسا ماحول مہیا کرنا جو ملازمین کی صحت کا خیال اور حادثے سے بچاؤ کو مد نظر رکھے

- اپنے آپریشنز کی استعداد اور استحکام کو بہتر بنانے کے لئے، گرین ہاؤس گیسوں کے اخراج، پانی کے استعمال اور فضلہ کو کم سے کم کر کے اپنے قدرتی وسائل کی حفاظت کرنا

- قابل اطلاق تقاضوں کی تعمیل کو برقرار رکھنے کے علاوہ کاروبار کے تمام پہلوؤں میں EHS کے طریقوں کو مضبوط بنا کر جاری رکھنا



کمپنی کا اندرونی نظام کنٹرول

انتظامیہ نے انتظام کے مقاصد کو حاصل کرنے کو یقینی بنانے کے لئے تمام اندرونی کنٹرول کی پالیسیوں کو اپنایا ہے۔ جہاں عملی طور پر اس کے کاروبار کے منظم اور منوثر انداز میں انتظامی پالیسیوں کی تعمیل، اثاثوں کی حفاظت، دھوکہ دہی اور غلطی کا پتہ لگانے سمیت، اکاؤنٹنگ ریکارڈ کی درستگی اور مکمل، قابل اعتماد مالیاتی معلومات کی بروقت تیاری ہے

آڈیٹرز

کمپنی کے موجودہ قانونی آڈیٹرز میسرز ایف فرگوسن اینڈ کمپنی چارٹرڈ اکاؤنٹینٹس ریٹائر ہو رہے ہیں، انھوں نے مستحق ہونے کے ناطے خود کو دوبارہ تقرر کے لیے پیش کیا ہے۔ کمپنی کی آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے شیئر ہولڈرز کے سالانہ اجلاس عام میں ان کے تقرر کی منظوری دے دی ہے۔

شیئر ہولڈنگ کا پیٹرن

اسٹیٹمنٹ آف پیٹرن آف شیئر ہولڈنگ اور اضافی معلومات، جیسا کہ 30 جون 2019 کو تھیں، اس سالانہ رپورٹ کے ساتھ منسلک ہیں۔

اظہار تشکر

بورڈ، گراں قدر شیئر ہولڈرز، واپڈا، مالیاتی اداروں، Wartsila، پاکستان اسٹیٹ آئل اور دوسرے کاروباری ساتھیوں کی مسلسل حمایت، اور کمپنی پر ان کے اعتماد کا اعتراف اور تعریف کرتا ہے جس سے کمپنی کو قوم کی خدمت کرنے میں مدد ملی۔ پاور پلانٹ کے تمام شعبوں میں اعلیٰ درجے کی کارکردگی کو فروغ دینے کے لئے جدید اور حوصلہ افزا کام کی فضا کے قیام کے لئے مینجمنٹ کی تعریف کرتے ہیں۔ اور ہم کمپنی کے تمام ایگزیکٹوز اور ایمپلائیز کی انتھک محنت، خلوص اور لگن کے بھی شکر گزار ہیں کہ انھوں نے پلانٹ کے آپریشنز کو محفوظ اور یقینی بنایا اور ہمیں یقین ہے کہ آئندہ مستقبل میں بھی وفاداری کا یہ جذبہ برقرار رہے گا۔

برائے اور از طرف بورڈ

English

ایس ایم شکیل

شکو اتھو

لاہور

چیف ایگزیکٹو

ڈائریکٹر

18 ستمبر 2019

HUMAN RESOURCE MANAGEMENT

A hardworking and motivated human resource has always been a key to success of a company. The Human Resource (HR) function at Kohinoor Energy Limited is one of the key functions at the Company. Our HR policies provide transparency and drive our employees that how we are translating our strategic priorities into actions. It sets examples that what we achieved in the past years by developing professional organizational culture, retain talent, performance based compensation, equality based culture of respect and recognitions.

Our HR function operates as a strategic partner with senior management and all departmental heads. The Key to this role has been its continued focus to keep aligned our departmental targets with Team Mission Statement (TMS) which is the ultimate vision of the management of the Company. We are sincerely grateful to all employees for their close and constructive cooperation in the year 2019 because of whom the Company operated with progress despite of the challenges. Continuing with that partnership will be the key to success in the years to come.



CORPORATE SOCIAL RESPONSIBILITY (CSR)



The board takes pleasure to report that as part of our business strategy the community welfare programs are steadily running with full dedication and enthusiasm. We write to inform you that for supporting to the surrounding community the CSR program includes contribution on free medical treatment facility and free education facility for deserving children of the people living in the vicinity of the power plant:

a) Medical Facility

The first kind of CSR program of the Company is to provide free medical treatment facilities to the people residing in the vicinity areas of the power plant. A qualified and experienced medical team comprises of a MBBS doctor and competent medical staff is serving the people with passion and devotion. During the FY 2018-19 total 12,935 deserving patients have been provided with medical care at a cost of Rs. 6.729 million.



b) Education Facility

The management of your Company in contribution to another CSR program also investing a handsome amount on free education facility to the deserving children of the neighboring community. We believe that such contribution to the under privileged society is playing an important role in uplifting the living standard of our neighboring community. We report that presently 163 students are being provided with education, of which the earliest three batches of students have passed out



their secondary school certificate. The education facility is inclusive of providing tuition, books/stationary and uniform for free of cost.

Moving ahead we are also supporting to the talented children from among the passing out students to continue their further studies at graduation level. We take pleasure to inform you that after inclusion of six more students, total twelve students are benefiting from the higher education level support program. In this regard said students have been enrolled in private colleges where they being provided with uniform, tuition fee and transportation fully sponsored by the Company. During the year in overall the Company has contributed Rs. 5.951 million on account of education facility,

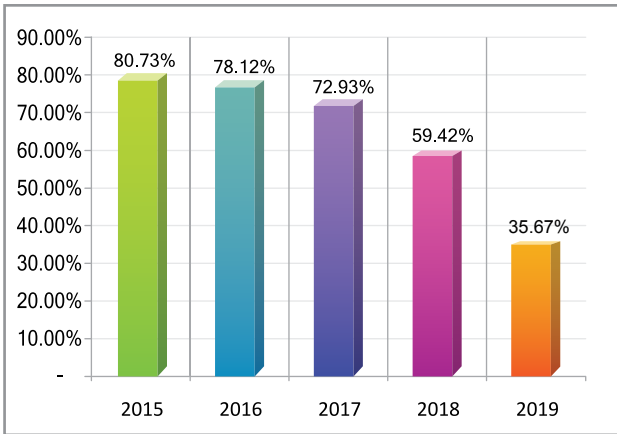


FINANCIAL DATA

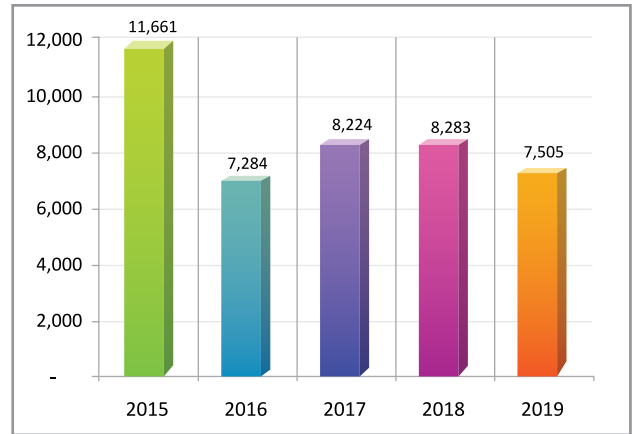
	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015
DISPATCH LEVEL (%)	35.67%	59.42%	72.93%	78.12%	80.73%
DISPATCH (MWH)	387,435	645,395	792,147	850,945	876,897
REVENUE (Rs. 000)					
ENERGY FEE	5,592,339	6,852,409	6,947,012	6,070,220	10,426,070
CAPACITY FEE	1,328,564	1,128,422	1,094,435	1,067,666	1,046,487
LATE PAYMENT CHARGES	583,835	301,810	182,414	146,050	188,507
TOTAL REVENUE	7,504,738	8,282,641	8,223,861	7,283,936	11,661,064
COST OF SALES	5,946,315	7,019,967	6,988,329	6,174,928	10,292,710
GROSS PROFIT	1,558,423	1,262,674	1,235,532	1,109,008	1,368,354
PROFITABILITY (Rs. 000)					
PROFIT/(LOSS) BEFORE TAX	551,592	730,138	804,878	695,661	843,759
PROVISION FOR INCOME TAX	115	240	711	445	1,283
PROFIT/(LOSS) AFTER TAX	551,477	729,898	804,167	695,216	842,476
OTHER COMPREHENSIVE INCOME / (LOSS)	(8,483)	(18,781)	8,354	(7,985)	9,901
FINANCIAL POSITION (Rs. 000)					
NON CURRENT ASSETS	3,549,660	3,503,541	3,690,802	3,908,948	4,141,922
CURRENT ASSETS	7,974,127	8,022,394	6,184,818	4,880,224	4,818,886
LESS CURRENT LIABILITIES	5,653,163	5,520,472	3,818,711	2,697,491	2,593,739
NET WORKING CAPITAL	2,320,964	2,501,922	2,366,107	2,182,733	2,225,147
CAPITAL EMPLOYED	5,870,624	6,005,463	6,056,909	6,091,681	6,367,069
LESS LONG TERM LOANS	-	-	-	-	30,597
SHARE HOLDERS EQUITY	5,870,624	6,005,463	6,056,909	6,091,681	6,336,472
REPRESENTED BY (Rs. 000)					
SHARE CAPITAL	1,694,586	1,694,586	1,694,586	1,694,586	1,694,586
UNAPPROPRIATED PROFIT BEFORE APPROPRIATION	4,853,871	5,073,440	5,209,616	5,329,117	5,658,638
APPROPRIATION / DIVIDENDS	677,833	762,563	847,293	932,022	1,016,752
EFFECT OF RETROSPECTIVE CHANGE IN ACCOUNTING POLICY					
UNAPPROPRIATED PROFIT BROUGHT FORWARD	4,176,038	4,310,877	4,362,323	4,397,095	4,641,886
	5,870,624	6,005,463	6,056,909	6,091,681	6,336,472
SHARE PRICES AS ON JUNE 30,	36.00	40.00	43.07	41.20	50.50
EARNING PER SHARE	3.25	4.31	4.75	4.10	4.97
RATIOS:					
RETURN ON ASSETS	4.79%	6.33%	8.14%	7.91%	9.40%
PRICE EARNING RATIO	11.08	9.28	9.07	10.05	10.16
BREAK UP VALUE PER SHARE OF Rs. 10 EACH	34.64	35.44	35.74	35.95	37.39
CURRENT RATIO	1.41	1.45	1.62	1.81	1.86
NET PROFIT/(LOSS) TO SALES (%AGE)	7.35%	8.81%	9.78%	9.54%	7.22%
DIVIDEND PER SHARE	4.00	4.50	5.00	5.50	6.00

PERFORMANCE OVERVIEW

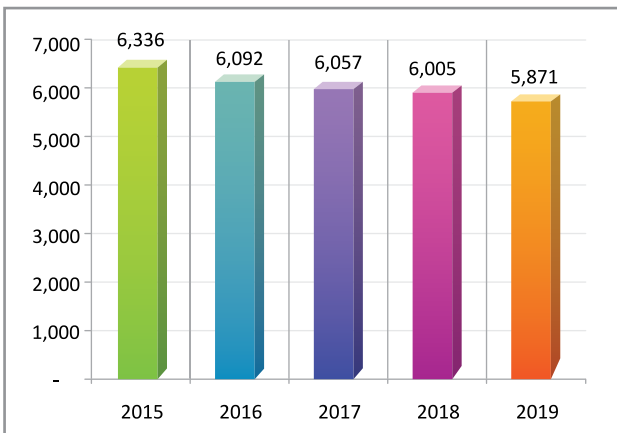
"Dispatch Percentage"



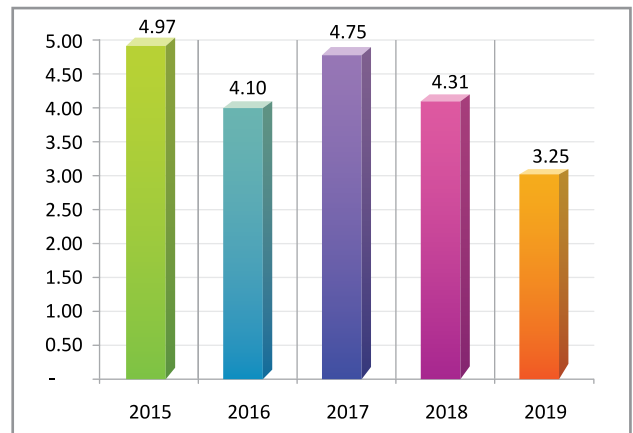
"Turnover" (Rupees in Million)



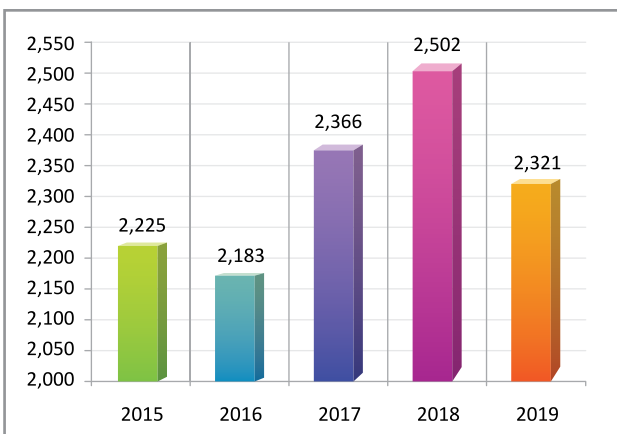
"Share Holder Equity" (Rupees in Million)



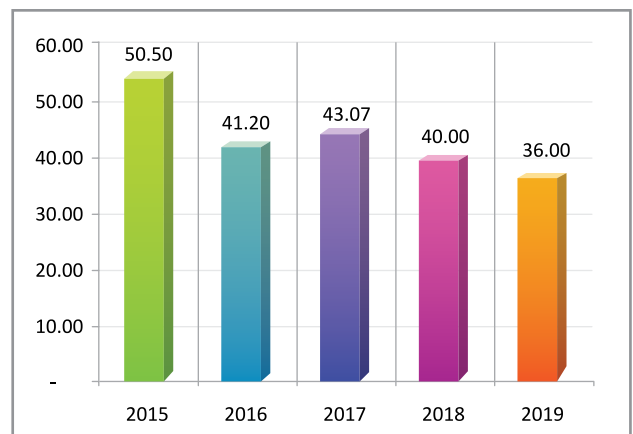
"Earning Per Share" (Rupees)



"Working Capital Analysis" (Rupees in Million)



"Share Price" (Rupees)



STATEMENT OF COMPLIANCE

With Listed Companies (Code of Corporate Governance) Regulations, 2017 For the Year ended June 30, 2019

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are 07 as per the following:

a. Male: 06 (Six) **b. Female:** 01 (One)

2. The composition of board is as follows:

Independent Directors	Non-Executive Directors	Executive Directors
Mr. Ryo Aoe Mr. Shingo Ito Ms. Mariko Ueda	Mr. M. Naseem Saigol Mr. Faisal Riaz Mr. Ichiro Kawano	Mr. S M Shakeel

3. The directors have confirmed that none of them is serving as a director on more than five listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.
8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. During the year a Directors Training Program (DTP) was arranged resultantly four directors completed the DTP however one of them has relinquished the office of directors. Now there are three directors who have completed the DTP in addition to two directors who meet the criteria of exemption from the DTP. Accordingly their exemption is being sought from the Securities and Exchange Commission of Pakistan.
10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2017

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the Regulations) prepared by the Board of Directors of Kohinoor Energy Limited (the Company) for the year ended June 30, 2019 in accordance with the requirements of regulation 40 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2019.

Lahore
September 30, 2019

A. F. Ferguson & Co.
Chartered Accountants



Engagement Partner: Hammad Ali Ahmad

AUDITORS' REPORT TO THE MEMBERS

Opinion

We have audited the annexed financial statements of Kohinoor Energy Limited ('the Company'), which comprise the statement of financial position as at June 30, 2019, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2019 and of the profit and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan ('the Code') and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

Emphasis of matter

We draw attention to:

- a) note 11.1.1 to the financial statements, which describes the uncertainty regarding the outcome of a claim by WAPDA which has been disputed by the Company; and
- b) note 17.3 to the financial statements, which describes the management's decision to record a provision against a disputed receivable amount from WAPDA.

Our opinion is not qualified in respect of these matters.

The engagement partner on the audit resulting in this independent auditor's report is Hammad Ali Ahmad.

Lahore
September 30, 2019

A. F. Ferguson & Co.
Chartered Accountants



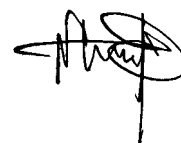
Engagement Partner: Hammad Ali Ahmad

STATEMENT OF FINANCIAL POSITION

	Note	2019 (Rupees in thousand)	2018
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 170,000,000 (June 2018: 170,000,000) ordinary shares of Rs. 10 each		1,700,000	1,700,000
Issued, subscribed and paid up capital 169,458,614 (June 2018: 169,458,614) ordinary shares of Rs. 10 each	6	1,694,586	1,694,586
Un-appropriated profit		4,176,038	4,310,877
		5,870,624	6,005,463
CURRENT LIABILITIES			
Employee benefits	7	31,929	29,950
Short term finances - secured	8	5,354,474	5,285,780
Trade and other payables	9	53,867	84,120
Accrued finance cost	10	103,727	48,878
Unclaimed dividend		50,088	10,305
Provision for taxation - net		59,078	61,439
		5,653,163	5,520,472
CONTINGENCIES AND COMMITMENTS	11	-	-
		11,523,787	11,525,935



Chief Executive Officer



Director

	Note	2019 (Rupees in thousand)	2018
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	12	3,541,996	3,491,232
Intangible assets	13	4,101	4,606
Long term loans and deposits	14	3,563	7,703
		<u>3,549,660</u>	<u>3,503,541</u>
CURRENT ASSETS			
Stores, spares and loose tools	15	316,292	305,767
Stock in trade	16	190,045	381,717
Trade debts - net	17	7,155,022	6,645,211
Loans, advances, deposits, prepayments and other receivables	18	237,141	535,126
Cash and bank balances	19	75,627	154,573
		<u>7,974,127</u>	<u>8,022,394</u>
		<u><u>11,523,787</u></u>	<u><u>11,525,935</u></u>

The annexed notes 1 to 36 form an integral part of these financial statements.



Chief Financial Officer

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

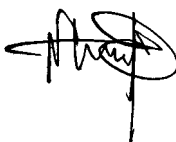
FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019 (Rupees in thousand)	2018
Revenue from contract with customer	20	7,504,738	8,282,641
Cost of sales	21	(5,946,315)	(7,019,966)
Gross profit		1,558,423	1,262,675
Administrative expenses	22	(707,978)	(266,347)
Operating profit		850,445	996,328
Other income	23	206,857	1,869
Finance costs	24	(505,710)	(268,059)
Profit before taxation		551,592	730,138
Taxation	25	(115)	(240)
Profit after tax		551,477	729,898
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Re-measurement of staff gratuity fund		(8,483)	(18,781)
Items that may be reclassified subsequently to profit or loss		-	-
Total other comprehensive loss		(8,483)	(18,781)
Total comprehensive income for the year		542,994	711,117
Earnings per share - basic and diluted - Rupees	32	3.25	4.31

The annexed notes 1 to 36 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

STATEMENT OF CASH FLOW

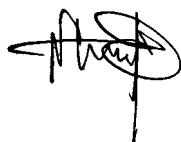
FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019 (Rupees in thousand)	2018
Cash flows from operating activities			
Cash generated from / (used in) operations	26	1,433,694	(542,468)
Employee benefits paid		(44,216)	(32,178)
Mark up on borrowings paid		(450,861)	(252,787)
Taxes (paid) / refunded		(2,476)	90,240
Net cash used in operating activities		936,141	(737,193)
Cash flows from investing activities			
Purchase of property, plant and equipment		(461,087)	(203,829)
Interest / mark up income received		394	800
Net decrease in long term loans and deposits		4,140	3,232
Proceeds from sale of property, plant and equipment		10,822	6,095
Net cash used in investing activities		(445,731)	(193,702)
Cash flows from financing activities			
Dividend paid		(638,050)	(766,560)
Net cash used in financing activities		(638,050)	(766,560)
Net decrease in cash and cash equivalents		(147,640)	(1,697,455)
Cash and cash equivalents at the beginning of the year		(5,131,207)	(3,433,752)
Cash and cash equivalents at the end of the year	27	(5,278,847)	(5,131,207)

The annexed notes 1 to 36 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

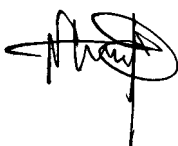
FOR THE YEAR ENDED JUNE 30, 2019

	Share Capital	Un-appropriated Profit (Rupees in thousand)	Total
Balance as on July 1, 2017	1,694,586	4,362,323	6,056,909
Final dividend for the year ended June 30, 2017 at the rate of Rs. 2.00 per share	-	(338,917)	(338,917)
Interim dividend for the year ended June 30, 2018 at the rate of Rs. 1.50 per share	-	(254,187)	(254,187)
Interim dividend for the year ended June 30, 2018 at the rate of Rs. 1.00 per share	-	(169,459)	(169,459)
Profit for the year	-	729,898	729,898
Other comprehensive income:			
Re-measurement of staff gratuity fund	-	(18,781)	(18,781)
Total comprehensive income for the year	-	711,117	711,117
Balance as on June 30, 2018	1,694,586	4,310,877	6,005,463
Final dividend for the year ended June 30, 2018 at the rate of Rs. 1.0 per share	-	(169,459)	(169,459)
Interim dividend for the year ended June 30, 2019 at the rate of Rs. 1.50 per share	-	(254,187)	(254,187)
Interim dividend for the year ended June 30, 2019 at the rate of Rs. 1.50 per share	-	(254,187)	(254,187)
Profit for the year	-	551,477	551,477
Other comprehensive income:			
Re-measurement of staff gratuity fund	-	(8,483)	(8,483)
Total comprehensive income for the year	-	542,994	542,994
Balance as on June 30, 2019	1,694,586	4,176,038	5,870,624

The annexed notes 1 to 36 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

1 Legal status and nature of business

Kohinoor Energy Limited (the 'Company') was incorporated in Pakistan on April 26, 1994 as a public limited company under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017). The Company is listed on the Pakistan Stock Exchange. The principal activity of the Company is to own, operate and maintain a power plant of 124 MW capacity in Lahore and to sell the electricity produced therefrom to a sole customer, the Pakistan Water and Power Development Authority (WAPDA) under a Power Purchase Agreement (PPA), for a term of 30 years which commenced from June 19, 1997. The address of the registered office of the Company is 301, 3rd Floor, Green Trust Tower, Blue area, Islamabad, Lahore Office is situated at 17-Aziz Avenue, Unit # 4, Canal Bank, Gulberg V, Lahore and the Company's power plant has been set up at Post Office Raja Jang, near Tablighi Ijtima, Raiwind Bypass, Lahore.

2 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- i) International Financial Reporting Standards ('IFRS') issued by the International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017; and
- ii) Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3 Basis of preparation

3.1 Initial application of standards, amendments or an interpretation to existing standards

The following amendments to existing standards have been published that are applicable to the Company's financial statements covering annual periods, as detailed below:

3.1.1 Changes in accounting standards, interpretations and pronouncements

a) Standards, amendments to published standards and interpretations that are effective in the current year

Securities and Exchange Commission of Pakistan (SECP) through an SRO 1007(1)/2017 dated October 4, 2017 has directed that IFRS 15 'Revenue from contracts with customers' and IFRS 9 'Financial instruments' shall be followed for the preparation of financial statements from the annual periods beginning on or after July 1, 2018. Accordingly, the Company has adopted this standard with effect from July 1, 2018.

IFRS 15 - 'Revenue from contracts with customers', replaces the previous revenue standards: IAS 18 'Revenue', IAS 11 'Construction contracts' and the related interpretations on revenue recognition. Key changes in the new standard include a single five-step model for revenue recognition. It establishes a comprehensive framework for recognition of revenue from contracts with customers based on a core principle that an entity should recognize revenue representing the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The impact of change in accounting policy due to application of IFRS 15 is mentioned in note 5.1.

IFRS 9 - 'Financial instruments' replaces the guidance in IAS 39 'Financial instruments: recognition and measurement'. Key changes in the new standard include requirements on the classification, measurement and derecognition of financial assets and liabilities. The Company's management has assessed which business models apply to the financial assets held by the Company and has classified its financial instruments into the appropriate IFRS 9 categories. The impact of change in accounting policy due to application of IFRS 9 is mentioned in note 5.1.

b) Standards, interpretations and amendments to published approved accounting standards that became effective during the year but are not relevant

There are new accounting standards, amendments that are mandatory from accounting periods beginning on or after July 01, 2018 and are considered not to be relevant to the Company's financial statements and are therefore, not detailed in these financial statements.

3.1.2 Standards, amendments and interpretation to existing standards that are not yet effective but are applicable / relevant to the Company's operations

Standard or interpretation	Effective Date (Annual beginning on after)
IAS 19, Plan amendment, curtailment or settlement (amendments)	January 1, 2019
IFRIC 23, Uncertainty over income tax	January 1, 2019
IAS 1, Presentation of financial statements (amendment)	January 1, 2020
IAS 8, Accounting policies, changes in accounting estimates and errors	January 1, 2020

IFRS 16 'Leases': (effective for periods beginning on or after January 1, 2019) has been notified by the SECP to be effective for annual periods beginning on or after January 1, 2019. This standard replaces the current guidance in IAS 17, 'Leases' and is a far reaching change in accounting by lessees in particular. Under IAS 17, lessees were required to make a distinction between a finance lease (on statement of financial position) and an operating lease (off statement of financial position). IFRS 16 now requires lessees to recognise a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts. The International Accounting Standards Board (IASB) has included an optional exemption for certain short-term leases and leases of low-value assets; however, this exemption can only be applied by lessees. For lessors, the accounting stays almost the same. However, as the IASB has updated the guidance on the definition of a lease (as well as the guidance on the combination and separation of contracts), lessors will also be affected by the new standard. At the very least, the new accounting model for lessees is expected to impact negotiations between lessors and lessees.

SECP through SRO 986(I)/2019 dated September 2, 2019 has granted exemption from the requirements of IFRS 16 to all companies that have executed their power purchase agreements before January 1, 2019. Therefore, the standard will not have any impact on the Company's financial statements.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in previous years. Such improvements are generally effective for accounting periods beginning on or after January 01, 2019 and January 01, 2020. The Company expects that such improvements to the standards will not have any significant impact on the Company's financial statements in the period of initial application and are therefore not detailed in these financial statements.

3.1.3 Exemption from applicability of IFRIC 4 'Determining whether an arrangement contains a lease'

IFRIC 4, 'Determining whether an arrangement contains a lease' is applicable for periods beginning on or after January 1, 2006, however, Independent Power Producers (IPPs), whose letter of intent has been signed on or before June 30, 2010, have been exempted from its application by the Securities and Exchange Commission of Pakistan (SECP). This interpretation provides guidance on determining whether arrangements that do not take the legal form of a lease should, nonetheless, be accounted for as a lease in accordance with International Accounting Standard (IAS) 17, 'Leases'.

Consequently, the Company is not required to account for a portion of its Power Purchase Agreement (PPA) with Water and Power Development Authority (WAPDA) as a lease under IAS 17. If the Company were to follow IFRIC 4 and IAS 17, the effect on the financial statements would be as follows:

	2019	2018
	(Rupees in thousand)	
De-recognition of property, plant and equipment	(3,218,080)	(3,225,158)
Recognition of lease debtor	388,266	429,279
Decrease in un-appropriated profit at the beginning of the year	(2,795,879)	(2,922,818)
(Decrease) / increase in profit for the year	(33,935)	126,939
Decrease in un-appropriated profit at the end of the year	<u>(2,829,814)</u>	<u>(2,795,879)</u>

4 Basis of measurement

4.1 These financial statements have been prepared under the historical cost convention, modified by capitalization of exchange differences in previous years, except for revaluation of certain financial instruments at fair value and recognition of certain employee retirement benefits at present value.

The Company's significant accounting policies are stated in note 5. Not all of these significant policies require the management to make difficult, subjective or complex judgments or estimates. The following is intended to provide an understanding of the policies the management considers critical because of their complexity, judgment of estimation involved in their application and their impact on these financial statements. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. These judgments involve assumptions or estimates in respect of future events and the actual results may differ from these estimates. The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

a) Retirement benefits

The Company uses the valuation performed by an independent actuary as the present value of its retirement benefit obligations. The valuation is based on assumptions as mentioned in note 5.3.

b) Provision for taxation

The Company takes into account the current income tax laws and the decisions taken by appellate authorities. Instances where the Company's view differs from the view taken by the income tax department at the assessment stage and where the Company considers that its view on items of a material nature is in accordance with law, the amounts are shown as contingent liabilities.

c) Useful lives and residual values of property, plant and equipment

The Company reviews the useful lives of property, plant and equipment on regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

5. Significant accounting policies

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

5.1 Change in accounting policy

The company has applied IFRS 15 using the modified retrospective approach for transition. This approach requires entities to recognize the cumulative effect of initially applying IFRS 15 as an adjustment to the opening balance of un-appropriated profit in the period of initial application. Comparative prior year periods would not be adjusted. The application of IFRS 15 does not have any impact on the revenue recognition policy of the company and therefore, the cumulative effect of initially applying this standard as an adjustment to the opening balance of un-appropriated profit in the period of initial application is nil.

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. IFRS 9 requires the Company to assess the classification of financial assets on its statement of financial position in accordance with the cash flow characteristics of the financial assets and the relevant business model that the Company has for a specific class of financial assets. It also includes an expected credit losses model that replaces the current incurred loss impairment model. Securities and Exchange Commission of Pakistan (SECP) through an SRO 985(I)/2019 dated September 2, 2019 has notified that in respect of companies holding financial assets due from the Government of Pakistan, the requirements contained in IFRS 9 with respect to application of expected credit losses method shall not be applicable till June 30, 2021 and that such companies shall follow relevant requirements of IAS 39 in respect of above referred financial assets during the exemption period. Accordingly, the Company has changed its accounting policies and followed the requirements of IFRS 9 for:

- classification and measurement of financial assets other than the financial assets due from the Government of Pakistan; and
- recognition of loss allowance for financial assets other than the financial assets due from the Government of Pakistan.

In respect of application of IFRS 9, the Company has adopted modified retrospective approach as permitted by this standard, according to which the Company is not required to restate the prior period results. There is no material impact of adoption of IFRS 9 on opening equity of the Company.

The identified impairment loss on financial assets other than due from Government of Pakistan was immaterial.

5.1.1 Classification and measurement of financial assets and financial liabilities

	Measurement category		Carrying amount		
	As per IAS 39	As per IFRS 9	As per IAS 39	As per IFRS 9	Difference
(Rupees in thousand)					
Financial assets					
Trade debts	Amortised cost	Amortised cost	7,155,022	7,155,022	-
Loans, advances, deposits, prepayments and other receivables"	Amortised cost	Amortised cost	8,430	8,430	-
Cash and bank balances	Amortised cost	Amortised cost	73,720	73,720	-
Long term loans and deposits	Amortised cost	Amortised cost	3,563	3,563	-
Financial liabilities					
Short term finances	Amortised cost	Amortised cost	5,354,474	5,354,474	-
Trade and other payables	Amortised cost	Amortised cost	25,912	25,912	-
Accrued finance cost	Amortised cost	Amortised cost	103,727	103,727	-
Unclaimed dividend	Amortised cost	Amortised cost	50,088	50,088	-

There is no impact on the Company's statement of changes in equity as a result of the above changes.

5.2 Taxation

Current

The profits and gains of the Company derived from electric power generation are exempt from tax subject to the conditions and limitations provided for in terms of clause 132 of Part I of the Second Schedule to the Income Tax Ordinance, 2001. However, full provision is made in the profit and loss account on income from sources not covered under the above clause at current rates of taxation after taking into account, tax credits and rebates available, if any.

Deferred

Deferred tax has not been provided in these financial statements as the Company's management believes that the temporary differences will not reverse in the foreseeable future due to the fact that the profits and gains of the Company derived from electric power generation are exempt from tax subject to the conditions and limitations provided for in terms of clause 132 of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

5.3 Employee retirement benefits

The main features of the schemes operated by the Company for its employees are as follows:

a) Defined benefit plans

The Company operates an approved funded defined benefit gratuity scheme for all employees according to the terms of employment subject to a minimum qualifying period of service. The contribution to the fund is made on the basis of actuarial valuation to cover obligations under the scheme for all employees eligible to gratuity benefits. The latest actuarial valuation for the scheme was carried out as at June 30, 2019 and the actual return on plan assets during the year was Rs. 16.16 million (2018: Rs. 7.91 million). The actual return on plan assets represents the difference between the fair value of plan assets at beginning of the year and end of the year after adjustments for contributions made by the Company as reduced by benefits paid during the year.

Projected Unit Credit (PUC) Actuarial Cost Method, using the following significant assumptions, is used for valuation of this scheme:

- Discount rate	14.25% per annum (2018: 10.00% per annum)
- Expected rate of increase in salary level	13.25% per annum (2018: 9.00% per annum)

The Company accounts for actuarial gains / losses in accordance with IAS 19 "Employee benefits".

b) Accumulating compensated absences

Provisions are made annually to cover the obligation for accumulating compensated absences and are charged to profit and loss account.

5.4 Property, plant and equipment

5.4.1 Operating fixed assets

Operating fixed assets except freehold land are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at cost less any identified impairment loss. Cost in relation to certain plant and machinery comprises historical cost, exchange differences capitalized in previous years and borrowing cost mentioned in note 5.13.

Depreciation on all operating fixed assets is charged to profit and loss account on the straight line method so as to write off the cost of an asset over its estimated useful life at the annual rates mentioned in note 12.1 after taking into account their residual values.

The assets' residual values and useful lives are reviewed, at each financial year end, and adjusted if the impact on depreciation is significant. The Company's estimate of the residual value of its operating fixed assets as at June 30, 2019 has not required any adjustment as its impact is considered insignificant.

Depreciation on additions to operating fixed assets is charged from the month in which the asset is available for use, while no depreciation is charged for the month in which the asset is disposed off.

The net exchange difference relating to an asset, at the end of each year, is amortised in equal installments over its remaining useful life.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 5.6).

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to income during the period in which they are incurred.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

5.4.2 Capital work-in-progress

Capital work-in-progress is stated at cost less any identified impairment loss. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use.

5.4.3 Stores held for capitalization

Stores held for capitalization qualify as property, plant and equipment when an entity expects to use them for more than one year. Transfers are made to relevant operating fixed assets category as and when such items are available for use.

5.5 Intangible assets

Expenditure incurred to acquire intangible assets is stated at cost less accumulated amortisation and any identified impairment loss. Intangible assets are amortised using the straight line method over its estimated useful life at the annual rate mentioned in note 13.

Amortization on additions to intangible assets is charged from the month in which an asset is available for use while no amortization is charged for the month in which the asset is disposed off.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 5.6).

5.6 Impairment of non-financial assets

Assets that have an indefinite useful life, for example land, are not subject to depreciation / amortization and are tested annually for impairment. Assets that are subject to depreciation / amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

5.7 Stores, spares and loose tools

Usable stores and spares are valued principally at moving average cost, while items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon.

5.8 Stock in trade

Stock in trade except for those in transit and furnace oil are valued principally at lower of moving average cost and net realizable value. Furnace oil is valued at lower of cost based on First in First Out (FIFO) basis and net realizable value.

Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessarily to be incurred in order to make a sale.

5.9 Financial instruments

5.9.1 Financial assets other than those due from the Government of Pakistan

The Company classifies its financial assets in the following categories: at fair value through profit or loss and at

amortised cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at the time of initial recognition.

a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets.

b) Financial assets at amortised cost

Financial assets at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the reporting date, which are classified as non-current assets. These comprise of loans, advances, deposits and other receivables and cash and cash equivalents in the statement of financial position.

All financial assets are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Regular purchases and sales of investments are recognized on trade-date – the date on which the Company commits to purchase or sell the asset. Financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the profit and loss account. Financial assets are de-recognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value. Financial assets at amortised cost are measured using the effective interest rate method.

Gains or losses arising from changes in the fair value of the ‘financial assets at fair value through profit or loss’ category are presented in the profit and loss account in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognized in the profit and loss account as part of other income when the Company’s right to receive payments is established.

From July 1, 2018, the entity applies simplified approach, as allowed under IFRS 9, for measuring expected credit losses which uses a lifetime expected loss allowance for all the financial assets. It assess on a forward-looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

5.9.2 Financial liabilities

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument.

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in the profit and loss account.

5.9.3 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set off the recognized amount and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

5.10 Financial assets due from the Government of Pakistan

Financial assets due from the Government of Pakistan include trade debts and other receivables due from WAPDA under PPA that also includes accrued amounts. As referred to in note 5.1, SECP through SRO 985(I)/2019 dated September 2, 2019 has notified that, in respect of companies holding financial assets due from the Government of Pakistan, the requirements contained in IFRS 9 with respect to application of expected credit losses method shall not be applicable till June 30, 2021 and that such companies shall follow relevant requirements of IAS 39 in respect of above referred financial assets during the exemption period. Accordingly, the same continue to be reported as per the following accounting policy:

Trade debts and other receivables are recognized initially at invoice value, which approximates fair value, and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all the amount due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade debt is impaired. The provision is recognized in the profit and loss account. When a trade debt is uncollectible, it is written-off against the provision. Subsequent recoveries of amounts previously written off are credited to the profit and loss account. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the statement of profit or loss.

5.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and short term finances under mark up arrangements with original maturities of three months or less.

5.12 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost, any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the profit and loss account over the period of the borrowings using the effective interest method. Finance costs are accounted for on an accrual basis and are reported under accrued finance costs to the extent of the amount remaining unpaid.

5.13 Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed in the profit and loss account in the period in which they arise.

5.14 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

5.15 Contingent liabilities

Contingent liability is disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company; or

- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

5.16 Revenue recognition

Performance obligation related to revenue on account of energy is satisfied on transmission of electricity to WAPDA, whereas on account of capacity is satisfied when due. These are recognized based on the rates determined under the mechanism laid down in the Power Purchase Agreement (PPA). Payment of the transaction price is due on the 25th day of invoicing as per the terms of PPA. Late payments are subject to interest which is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable. Profit on deposits with banks is recognized on a time proportion basis by reference to the amounts outstanding and the applicable rates of return.

5.17 Foreign currency transactions and translation

a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into Pak Rupees using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit and loss account.

5.18 Dividend

Dividend distribution to the Company's members is recognized as a liability in the period in which the dividends are approved.

5.19 Trade and other payables

Trade and other payables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

6. Issued, subscribed and paid up capital

2019 (Number of shares)		2018 (Number of shares)		2019 (Rupees in thousand)		2018 (Rupees in thousand)	
130,352,780	130,352,780	Ordinary shares of Rs. 10 each fully paid in cash		1,303,528	1,303,528		
39,105,834	39,105,834	Ordinary shares of Rs. 10 each issued as fully paid bonus shares		391,058	391,058		
<u>169,458,614</u>	<u>169,458,614</u>			<u>1,694,586</u>	<u>1,694,586</u>		

6.1 33,891,722 (2018: 33,891,722) ordinary shares of the Company are held by an associated company, Toyota Tsusho Corporation.

	Note	2019 (Rupees in thousand)	2018
7. Employee benefits			
Gratuity	7.1	21,695	19,885
Leave salary		10,234	10,065
		31,929	29,950
7.1 This represents staff gratuity and the amounts recognized in the statement of financial position are as follows:			
Present value of defined benefit obligation	7.1.2	324,500	291,527
Fair value of plan assets	7.1.3	(302,805)	(271,642)
Net liability as at the end of the year		21,695	19,885
7.1.1 For the year			
Net (asset) / liability as at the beginning of the year		19,885	(174)
Charge to profit and loss account		20,332	17,243
Contribution by the Company		(27,005)	(15,965)
Re-measurement chargeable to other comprehensive income		8,483	18,781
Net liability as at the end of the year		21,695	19,885
7.1.2 The movement in the present value of defined benefit obligation is as follows:			
Present value of defined benefit obligation as at the beginning of the year		291,527	253,064
Current service cost		19,693	17,997
Interest cost		28,553	23,155
Benefits paid		(12,004)	(5,475)
Remeasurements		(3,439)	(734)
Experience loss		170	3,520
Present value of defined benefit obligation as at the end of the year		324,500	291,527
7.1.3 The movement in fair value of plan assets is as follows:			
Fair value as at the beginning of the year		271,642	253,238
Interest income on plan assets		27,914	23,909
Contribution by the Company		27,005	15,965
Benefits paid		(12,004)	(5,475)
Return on plan assets excluding interest income		(11,752)	(15,995)
		302,805	271,642

7.2 Plan assets of the Fund

	2019 (Rupees in thousand)	%	2018 (Rupees in thousand)	%
The breakup of plan assets of the Fund is as follows:				
Investment in bonds and term deposits	147,816	48.8	131,249	48.3
Investment in equity shares of the Company	13,986	4.6	15,540	5.7
Investment in other shares	2,617	0.9	20,845	7.7
Investment in units in mutual funds	128,808	42.5	98,172	36.2
Cash and bank / receivables	9,578	3.2	5,836	2.1
	<u>302,805</u>	<u>100</u>	<u>271,642</u>	<u>100</u>

Investments out of fund have been made in accordance with the provisions of section 218 of the Act and the conditions specified thereunder.

7.3 Sensitivity analysis of the Fund

The impact of change in discount rates and salary increases on year end defined benefit obligation is as follows:

	2019 (Rupees in thousand)	2018 (Rupees in thousand)
Discount rate + 1%	296,737	264,711
Discount rate - 1%	356,055	322,305
Salary increase + 1%	356,544	322,759
Salary increase - 1%	295,832	263,843

The present value of defined benefit obligation, the fair value of plan assets and the surplus or deficit of the gratuity fund are as follows:

	2019	2018	2017	2016	2015
	(Rupees in thousand)				
As at June 30, 2019					
Present value of defined benefit obligation	324,500	291,527	253,064	219,494	178,242
Fair value of plan assets	302,805	271,642	253,238	199,402	178,372
(Deficit) / surplus	<u>(21,695)</u>	<u>(19,885)</u>	<u>174</u>	<u>(20,092)</u>	<u>130</u>
Experience adjustment arising on obligation losses	3,269	(2,786)	(1,358)	(813)	(4,478)
Experience adjustment arising on plan assets (losses) / gain	(11,752)	(15,995)	9,712	(7,712)	5,423

8. Short term finances - secured

	Note	2019 (Rupees in thousand)	2018 (Rupees in thousand)
Under mark up arrangements - secured	8.1	2,485,506	3,590,533
Under arrangements permissible under Shariah - secured	8.1	2,868,968	1,695,247
		<u>5,354,474</u>	<u>5,285,780</u>

- 8.1** Short term finances available from commercial banks under mark up arrangements amount to Rs. 8,410 million (June 30, 2018: Rs. 6,760 million), out of which finances available from Islamic banks under Islamic arrangements amount to Rs. 3,410 million (June 30, 2018: Rs. 2,780 million). The rates of mark up for finances under mark up arrangement ranged from 6.92% to 12.79% per annum (June 30, 2018: 6.46% to 7.67% per annum) and for finances under arrangement permissible under Shariah ranged from 6.38% to 10.99% per annum (June 30, 2018: 6.55% to 7.08% per annum) on the balances outstanding. The security and other agreements, negotiable instruments and documents to be executed by the Company in favor of the bank shall be in the form and substance satisfactory to the bank. The Company shall execute or cause to be executed all such instruments, deeds or documents, which the bank may in its sole discretion require.
- 8.2** Out of the aggregate running finances availed by the Company, Rs. 8,160 million are secured by joint pari passu charge and Rs. 250 million are secured by ranking charge on the current assets of the Company.
- 8.3** Of the aggregate facility of Rs. 875 million (2018: Rs. 476.85 million) for opening letters of credit and Rs. 440 million (2018: Rs. 207.05 million) for guarantees, the amount utilized as at June 30, 2019 were Rs. 4.44 million (2018: Rs. 151.4 million) and Rs. 274.43 million (2018: Rs. 207.05 million) respectively.

9. Trade and other payables	Note	2019 (Rupees in thousand)	2018 (Rupees in thousand)
Trade creditors	9.1	4,819	17,092
Accrued liabilities		11,572	2,860
Withholding tax payable		3,414	4,616
Workers' Profit Participation Fund	9.2	27,580	36,507
Workers' Welfare Fund	9.3	375	367
Security deposit payable	9.4	172	153
Payable against imports		213	16,714
Other payables		5,722	5,811
		53,867	84,120
9.1	Trade creditors include amount due to related parties of Rs. 0.15 million (2018: Rs. nil).		
9.2	Movement in Workers' Profit Participation Fund is as follows:		
Opening balance		36,507	40,244
Provision for the year	18.3	27,580	36,507
		64,087	76,751
Payments made during the year		(36,507)	(40,244)
Closing balance		27,580	36,507
9.3	Movement in Workers' Welfare Fund is as follows:		
Opening balance		367	115,451
Provision for the year	18.4	8	11
		375	115,462
Reversal made during the year		-	(115,095)
Closing balance		375	367
9.4	This represents advances and security deposits received from customers against scrap sales, which by virtue of agreement are interest free and are repayable on demand or on the cancellation of agreement.		

10. Accrued finance cost	2019 (Rupees in thousand)	2018 (Rupees in thousand)
Mark up accrued on short term finances	103,727	48,878

11. Contingencies and commitments

11.1 Contingencies

11.1.1 WAPDA has imposed Liquidated Damages (LDs) on the Company amounting to Rs. 571.86 million (2018: Rs. 510.97

million) during the period from 2011 to 2019. The reasons of LDs are as follows:

- i) Rs 353.85 million is because of failure to dispatch electricity due to WAPDA's non-payment of dues on timely basis and consequential inability of the Company to make advance payments to its fuel supplier - Pakistan State Oil Company Limited (PSO), that resulted in inadequate level of electricity production owing to shortage of fuel, and;
- ii) Rs 218.01 million is due to incorrect calculation of LDs by WAPDA as while calculating the LDs, certain factors were ignored by WAPDA that were to be considered under the terms of Power Purchase Agreement (PPA).

The Company disputes and rejects the claim on account of LDs because under the terms of PPA, no LDs can be charged to the Company due to the reasons caused solely by the Power Purchaser i.e. WAPDA.

According to legal advisors of the Company, there are adequate grounds to defend the claim for such LDs, therefore no provision has been made in these financial statements.

11.1.2 A sales tax demand of Rs. 505.41 million was raised against the Company through order dated August 29, 2014 by the Assistant Commissioner Inland Revenue ('ACIR') by disallowing input sales tax for the tax periods from August, 2009 to June, 2013. Such amount was disallowed on the grounds that the revenue derived by the Company on account of 'capacity purchase price' was against a non-taxable supply and thus, the entire amount of input sales tax claimed by the Company was required to be apportioned with only the input sales tax attributable to other revenue stream i.e. 'energy purchase price' admissible to the Company. Against the aforesaid order, the Company preferred an appeal before the Commissioner Inland Revenue (Appeals) ('CIR(A)') who vide its order dated November 6, 2014, upheld the ACIR's order on the issue regarding apportionment of input sales tax with the caveat that tax demand pertaining to period of show cause notice beyond the limitation of five years cannot be sustained and reduced from the tax demand. Subsequently, the Company preferred an appeal before the Appellate Tribunal Inland Revenue ('ATIR'). Additionally, the Company had filed an application with the Lahore High Court seeking a stay in recovery of tax arrears, default surcharge and penalty. The Lahore High Court, in its order dated December 31, 2014, stayed the recovery of the tax demand along with default surcharge and penalty till adjudication by the ATIR, subject to deposit of Rs. 10 million with the Tax Department which the Company duly submitted on January 7, 2015 and which has been refunded to the company during the current year. The ATIR vide its order dated May 4, 2015, upheld the CIR(A)'s order on the issue regarding apportionment of input sales tax. Thereafter, the Company filed an appeal against the decision of ATIR in the Lahore High Court.

The Lahore High Court vide its judgment dated October 31, 2016 has decided the case in favor of the Company. Subsequently, the tax department being aggrieved, filed a leave for appeal before the Supreme Court of Pakistan. The management is of the view that there are meritorious grounds available to defend the foregoing demands in the Supreme Court of Pakistan. Consequently, no provision for such demand has been made in these financial statements.

11.1.3 The Company has issued the following guarantees in favor of:

- (i) Water and Power Development Authority (WAPDA) on account of liquidated damages, in case the Company fails to make available electricity to WAPDA on its request, amounting to Rs. 272 million (June 30, 2018: Rs. 205 million).
- (ii) Sui Northern Gas Pipelines Limited on account of payment of dues against gas sales etc., amounting to Rs 2.43 million (June 30, 2018: Rs 2.15 million).

11.2 Commitments

- (i) Letters of credit / bank contracts other than capital expenditure are nil (June 30, 2018: Rs. 68.13 million).
- (ii) Letters of credit / bank contracts for capital expenditure Rs. 4.44 million (June 30, 2018: Rs. 131.35 million).

12. Property, plant and equipment	Note	2019 (Rupees in thousand)	2018
Operating fixed assets	12.1	3,425,226	3,432,549
Stores held for capitalization	12.2	116,770	58,683
		3,541,996	3,491,232

12.1 Property, plant and equipment

(Rupees in thousand)										
Freehold land	Buildings on freehold land	Plant and machinery	Office appliances and equipment	Laboratory equipment	Electric appliances and equipment	Computers	Furniture and fixtures	Vehicles	Total	

Net carrying value basis (NBV)

Year ended June 30, 2019

Opening balance	191,073	3,097,400	838	3,019	8,480	1,520	58	36,952	3,432,549	
Additions (at cost)	-	380,983	-	-	1,142	483	-	24,517	407,125	
Disposals	-	-	-	-	-	-	-	(10,482)	(10,482)	
Write-offs	-	-	-	-	-	-	-	-	-	
Transfer out	-	(4,125)	-	-	-	-	-	-	(4,125)	
Depreciation charge	(21,310)	(367,491)	(160)	(556)	(1,739)	(914)	(10)	(7,661)	(399,841)	
Closing balance	169,763	3,106,767	678	2,463	7,883	1,089	48	43,326	3,425,226	

Gross carrying value basis

As at June 30, 2019

Cost	93,209	8,669,410	5,418	5,561	30,354	49,939	7,884	70,441	9,557,674	
Accumulated depreciation	-	(5,562,643)	(4,740)	(3,098)	(22,471)	(48,850)	(7,836)	(27,115)	(6,132,448)	
Net book value (NBV)	93,209	3,106,767	678	2,463	7,883	1,089	48	43,326	3,425,226	
Depreciation rate per annum	-	4% - 9%	4.5% - 33%	10%	10%	33%	10%	20%		

Net carrying value basis (NBV)

Year ended June 30, 2018

Opening balance	93,209	212,383	3,243,202	998	3,575	10,218	68	35,901	3,600,913	
Additions (at cost)	-	-	204,262	-	-	184	-	13,426	218,989	
Disposals	-	-	-	-	-	-	-	(5,026)	(5,026)	
Write-offs	-	-	(10,892)	-	-	-	-	-	(10,892)	
Depreciation charge	(21,310)	(339,172)	(160)	(556)	(1,922)	(956)	(10)	(7,349)	(371,435)	
Closing balance	93,209	191,073	3,097,400	838	3,019	8,480	58	36,952	3,432,549	

Gross carrying value basis

As at June 30, 2018

Cost	93,209	8,298,947	5,418	5,561	29,211	49,456	7,884	65,110	9,180,254	
Accumulated depreciation	-	(434,385)	(5,201,547)	(4,580)	(2,542)	(47,936)	(7,826)	(28,158)	(5,747,705)	
Net book value (NBV)	93,209	3,097,400	838	3,019	8,480	1,520	58	36,952	3,432,549	
Depreciation rate % per annum	-	4% - 9%	4.5% - 32.0%	10%	10%	33%	10%	20%		

12.1.1 The cost of fully depreciated assets which are still in use as at June 30, 2019 is Rs. 331.54 million (2018: Rs. 318.42 million).

12.1.2 The depreciation charge for the year has been allocated as follows:

	Note	2019 (Rupees in thousand)	2018 (Rupees in thousand)
Cost of sales		21	363,969
Administrative expenses - depreciation on operating fixed assets		22	7,399
Community welfare expenses		69	67
		399,841	371,435

12.1.3 Disposal of operating fixed assets

2019

Detail of fixed assets sold during the year is as follows:

Particulars of assets	2019 (Rupees in thousand)						
	Sold to	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss)	Mode of disposals
Vehicles							
Employees							
Mr. Faisal Bhatti		2,391	1,148	1,243	1,243	-	Company Policy
Mr. Muhammad Ashraf		2,394	1,149	1,245	1,245	-	-do-
Mr. Syed Ghazanfar Ali Zaidi		5,322	2,554	2,768	2,768	-	-do-
Chief Executive Officer							
Mr. S M Shakeel		5,381	2,583	2,798	2,798	-	-do-
Other than Employees							
Mr. Muhammad Aslam		1,950	390	1,560	1,900	340	Auction

Net book value of all other assets disposed off during the year was less than Rs.50,000 each.

Detail of fixed assets sold during the year is as follows:

2018

Detail of fixed assets sold during the year is as follows:

Particulars of assets	2018 (Rupees in thousand)						
	Sold to	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss)	Mode of disposals
Vehicles							
Employees							
Mr. Rehmattullah		2,401	1,153	1,248	1,248	-	Company Policy
Mr. Abdul Rauf Irfan		2,054	986	1,068	1,068	-	-do-
Mr. Usman Saeed		2,038	978	1,060	1,060	-	-do-
Mr. Imran Afzal		1,089	581	508	508	-	-do-

12.2 This amount represents the mechanical store items including coupling flexible set, piston crown coated and kit bearing change axial which are held for capitalization.

12.3 Immovable fixed assets of the company are situated at Head Office, Post Office Raja Jang, near Tablighi Ijtima, Raiwind Bypass, Lahore, Pakistan. Freehold land represents 256 kanal of land situated at Post Office Raja Jang, near Tablighi Ijtima, Raiwind Bypass, Lahore out of which approximately 16 kanal represent covered area.

13. Intangible assets

Computer software Others Total
(Rupees in thousand)

Net carrying value basis

Year ended June 30, 2019

Opening net book value (NBV)	4,105	501	4,606
Additions at cost	-	-	-
Amortization charge	(450)	(55)	(505)
	<u>3,655</u>	<u>446</u>	<u>4,101</u>

Gross carrying value basis

As at June 30, 2019

Cost	22,117	1,000	23,117
Accumulated amortization	(18,462)	(554)	(19,016)
Net book value (NBV)	<u>3,655</u>	<u>446</u>	<u>4,101</u>
Amortization rate per annum	<u>6.25% - 8.82%</u>	<u>5.56%</u>	

Net carrying value basis

Year ended June 30, 2018

Opening net book value (NBV)	4,555	556	5,111
Additions at cost	-	-	-
Amortization charge	(450)	(55)	(505)
Closing net book value (NBV)	<u>4,105</u>	<u>501</u>	<u>4,606</u>

Gross carrying value basis

As at June 30, 2018

Cost	22,117	1,000	23,117
Accumulated amortization	(18,012)	(499)	(18,511)
Net book value (NBV)	<u>4,105</u>	<u>501</u>	<u>4,606</u>
Amortization rate per annum	<u>6.25% - 8.82%</u>	<u>5.56%</u>	

	Note	2019 (Rupees in thousand)	2018
13.1	The amortization charge for the year has been allocated as follows:		
Administrative expenses	22	505	505

13.2 The cost of fully amortised assets which are still in use as at June 30, 2019 is Rs. 7.20 million (2018: Rs. 16.50 million).

	Note	2019 (Rupees in thousand)	2018
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14. Long term loans and deposits

Loans to employees - considered good			
- Executives	14.1	3,852	7,362
- Others	14.1	7,262	13,921
		11,114	21,283
Current portion included in current assets			
- Executives	14.1	(2,438)	(5,159)
- Others	14.1	(5,358)	(8,666)
		(7,796)	(13,825)
		3,318	7,458
Security deposits		245	245
		3,563	7,703

14.1 These represent interest free loans to executives and other employees for purchase of residential plot, construction of house, purchase of motor cars etc. and are repayable in monthly instalments over a period of 24 to 60 months. Loans for purchase of residential plots and construction of house are secured against staff retirement benefits of employees. Loans for purchase of motor cars and motorcycles are secured by registration of motor cars in the name of the Company.

	2019 (Rupees in thousand)	2018
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14.2 Reconciliation of carrying amount of loans to executives

Opening balance	7,362	7,191
Disbursements	1,800	6,134
Employees promoted as executives	-	498
	9,162	13,823
Repayments	(5,310)	(6,461)
Closing balance	3,852	7,362

14.3 The maximum amount outstanding at the end of any month from executives aggregated Rs. 6.76 million (2018: Rs. 8.51 million).

	Note	2019 (Rupees in thousand)	2018 (Rupees in thousand)
15. Stores, spares and loose tools			
Stores		6,781	5,600
Spares		322,753	313,402
Loose tools		896	903
		<u>330,430</u>	<u>319,905</u>
Provision for obsolete stores and spares	15.1	(14,138)	(14,138)
		<u>316,292</u>	<u>305,767</u>
15.1 Provision for obsolete stores and spares			
Opening balance		14,138	14,138
Provision / (reversal) for the year		-	-
Closing balance		<u>14,138</u>	<u>14,138</u>
16. Stock in trade			
Furnace oil		180,650	375,389
Diesel		1,908	733
Lubricating oil		7,487	5,595
		<u>190,045</u>	<u>381,717</u>
17. Trade debts - net			
Trade receivables from WAPDA - secured			
- Considered good		7,155,022	6,645,211
- Considered doubtful		430,517	-
	17.1	<u>7,585,539</u>	<u>6,645,211</u>
Provision for impairment	17.2	(430,517)	-
		<u>7,155,022</u>	<u>6,645,211</u>

17.1 This includes an overdue amount of Rs. 6,020.99 million (2018: Rs. 5,458.62 million) receivable from WAPDA. The trade debts are secured by a guarantee from the Government of Pakistan under the Implementation Agreement. These are in the normal course of business and are interest free, however, a penal mark up at the rate of base rate plus 2% per annum is charged in case the amounts are not paid within due dates, the base rate being the State Bank of Pakistan's reverse repo rate. The penal mark up rate charged during the year is 9% to 14.75% (2018: 8.25% to 9%) per annum.

	Note	2019 (Rupees in thousand)	2018 (Rupees in thousand)
17.2 Provision for impairment			
Opening balance		-	-
Provision made during the year	17.3	(430,517)	-
Written-off during the year		-	-
Closing balance		<u>(430,517)</u>	<u>-</u>

17.3 This represents a receivable amount pertaining to eligibility of indexation of non-escalable component (NEC) of the capacity purchase price relating to the period subsequent to the repayment of foreign currency loan. This was disputed by WAPDA in year ended June 30, 2010 taking the stance that under the Power Purchase Agreement (PPA) indexation is allowed until the repayment of foreign currency loan, and since the loan was fully repaid in September, 2008, therefore no indexation was to be allowed from September, 2008 onwards. WAPDA had earlier paid this amount relating to the period from September, 2008 to September, 2009 but subsequently withheld this amount in June, 2010 against the invoices of April, 2010.

The matter was referred to an expert by the management of the Company who decided in favor of the Company stating that adjustment of the amount is unlawful since the underlying invoices were not disputed within the prescribed period of 180 days. However, WAPDA did not accept the decision of the expert.

During the year, the management of the Company has decided not to pursue the recoverability of this amount and a provision against the same has been recorded in these financial statements.

	Note	2019 (Rupees in thousand)	2018
18. Loans, advances, deposits, prepayments and other receivables			
Current portion of long term loans to employees	14	7,796	13,825
Advances - considered good			
- To employees	18.1	2,943	1,425
- To suppliers	18.2	134,202	140,469
Prepayments		4,861	23,732
Claims recoverable from WAPDA for pass through items:			
- Workers' Profit Participation Fund	18.3	64,086	202,299
- Workers' Welfare Fund	18.4	375	367
Sales tax receivable		22,244	128,421
Insurance claim receivable		-	23,751
Other receivables - considered good		634	837
		237,141	535,126

18.1 Included in advances to employees are amounts due from executives of Rs. 1.86 million (2018: Rs. 0.41 million).

18.2 No advances to related parties are outstanding as at June 30, 2019 (2018: Rs.0.15 million).

	Note	2019 (Rupees in thousand)	2018
18.3 Movement in Workers' Profit Participation Fund is as follows:			
Opening balance		202,299	170,792
Provision for the year	9.2	27,580	36,507
		229,879	207,299
Receipts during the year		(165,793)	(5,000)
Closing balance	18.5	64,086	202,299
18.4 Movement in Workers' Welfare Fund is as follows:			
Opening balance		367	115,451
Provision for the year	9.3	8	11
		375	115,462
Reversal during the year		-	(115,095)
Closing balance		375	367

18.5 Under section 14.2(a) of Part III of Schedule 6 to the Power Purchase Agreement (PPA) with WAPDA, payments to Workers' Profit Participation Fund and Workers' Welfare Fund are recoverable from WAPDA as pass through items.

	Note	2019 (Rupees in thousand)	2018
19. Cash and bank balances			
Balance at banks on:			
Current accounts		11,280	100,262
Saving accounts			
- Under interest / mark up arrangements	19.1	32,421	22,966
- Under arrangements permissible under Shariah	19.1	30,019	30,049
		62,440	53,015
		73,720	153,277
Cash in hand		1,907	1,296
		75,627	154,573

19.1 The balance in savings bank accounts bear mark up at rates ranging from 4.0% to 10.25% per annum (2018: 3.7 % to 4.0 % per annum) and balance in accounts under arrangements permissible under Shariah bear profit at the rates ranging from 2.38% to 5.50% per annum (2018: 2.47% to 5.50%).

	Note	2019 (Rupees in thousand)	2018
20. Revenue from contract with customer			
Energy purchase price	20.1	5,592,339	6,852,409
Capacity purchase price		1,328,564	1,128,422
Late payment charges		583,835	301,810
		7,504,738	8,282,641

20.1 Energy purchase price is exclusive of sales tax of Rs. 950.70 million (2018: Rs. 1,164.91 million).

	Note	2019 (Rupees in thousand)	2018
21. Cost of sales			
Raw material consumed		5,028,860	6,092,886
Salaries, wages and benefits	21.1	228,677	229,911
Stores and spares consumed		165,275	234,757
Depreciation on operating fixed assets	12.1	392,294	363,969
Fee and subscription		4,624	3,952
Insurance		52,228	27,243
Travelling, conveyance and entertainment		22,229	19,481
Repairs and maintenance		10,873	10,157
Communication charges		1,890	2,233
Electricity consumed in-house		19,848	7,412
Environmental expenses		716	910
Assets written-off		-	10,891
Contracted services		15,978	13,801
Miscellaneous		2,823	2,363
		5,946,315	7,019,966

21.1 Salaries, wages and other benefits

Salaries, wages and other benefits include following in respect of gratuity:

	2019 (Rupees in thousand)	2018
Current service cost	10,044	10,798
Past service cost	-	-
Interest cost for the year	14,562	13,893
Expected return on plan assets	(14,236)	(14,345)
	<u>10,370</u>	<u>10,346</u>

In addition to above, salaries, wages and other benefits included in cost of sales include Rs. 8.69 million (2018: Rs. 8.25 million) in respect of provision for leave encashment.

	Note	2019 (Rupees in thousand)	2018
22. Administrative expenses			
Salaries, wages and benefits	22.1	149,669	151,980
Communication charges		2,153	2,093
Depreciation on operating fixed assets	12.1	7,478	7,399
Amortization on intangible assets	13.1	505	505
Insurance		2,903	3,323
Travelling, conveyance and entertainment		36,151	35,345
Repairs and maintenance		2,086	3,043
Legal and professional charges	22.2	23,057	10,904
Community welfare expenses		12,680	12,466
Rents, rates and taxes		2,580	2,496
Fee and subscription		1,932	2,183
Security expenses		9,058	8,160
Environmental expenses		9,867	9,596
Contracted services		11,499	10,896
Provision for impairment		430,517	-
Miscellaneous		5,843	5,958
		<u>707,978</u>	<u>266,347</u>

22.1 Salaries, wages and other benefits

Salaries, wages and other benefits include following in respect of gratuity:

	2019	2018
Current service cost	9,650	7,199
Past service cost	-	-
Interest cost for the year	13,991	9,262
Expected return on plan assets	(13,678)	(9,564)
Gain and losses arising on plan settlement	-	-
	<u>9,963</u>	<u>6,895</u>

In addition to above, salaries, wages and other benefits included in admin include Rs. 8.69 million (2018: Rs. 8.25 million) in respect of provision for leave encashment.

2019 **2018**
(Rupees in thousand)

22.2 Legal and professional charges include the following:

In respect of auditors' services for:

- Statutory audit
- Half yearly review and sundry services
- Out of pocket expenses

1,575	1,500
487	640
295	123
<u>2,357</u>	<u>2,263</u>

22.3 Employees of the company

Total number of employees as at June 30

Average number of employees

2019 **2018**

152	153
153	154

Note **2019** **2018**
(Rupees in thousand)

23. Other income

- Income on bank deposits
- Gain on disposal of property, plant and equipment
- Insurance claim

23.1	394	800
	340	1,069
23.2	206,123	-
	<u>206,857</u>	<u>1,869</u>

23.1 Income on bank deposits

- Income on bank deposits under mark up arrangements
- Income on bank deposits under arrangements permissible under Shariah

184	534
210	266
<u>394</u>	<u>800</u>

23.2 This pertains to insurance claim settled at Rs. 231.6 million reduced by expenses amounting to Rs 25.5 million incurred on the repair of a malfunctioned generator.

24. Finance cost

2019 **2018**
(Rupees in thousand)

- Mark up on short term finances
- Bank guarantee and commission
- Others

504,431	266,839
850	764
429	456
<u>505,710</u>	<u>268,059</u>

25. Taxation

This represents the provision for current taxation for the year. No provision for taxation on reserves of the Company and super tax imposed under Finance Act 2016 has been made since the profits and gains of the Company derived from electric power generation are exempt from tax subject to the conditions and limitations provided for in terms of clause 132 of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

25.1 Tax charge reconciliation

2019
2018
(Rupees in thousand)

Profit before tax	551,592	730,138
Tax @ 29% (2018: 30%)	159,962	219,041
Tax effect of exempt income referred to in note 5.2	(159,847)	(218,801)
Tax charge	115	240

26. Cash generated from operations

Profit before taxation	551,592	730,138
Adjustment for:		
- Depreciation on property, plant and equipment	399,841	371,435
- Amortization on intangible assets	505	505
- Fixed assets written-off during the period	-	10,892
- Gain on disposal of property, plant and equipment	(340)	(1,069)
- Income on bank deposits	(394)	(800)
- Charge for employee retirement benefits	37,712	33,736
- Finance cost on borrowings	505,710	268,304
Profit before working capital changes	1,494,626	1,413,141
Effect on cash flow due to working capital changes:		
- Decrease / (increase) in stock in trade	191,672	(147,377)
- (Increase) / decrease in stores and spares	(10,525)	28,854
- (Increase) in trade debts	(509,811)	(1,735,152)
- (Increase) / decrease in loans, advances, deposits, prepayments and other receivables	297,985	(3,288)
- (Decrease) in trade and other payables	(30,253)	(98,646)
	(60,932)	(1,955,609)
	1,433,694	(542,468)

27. Cash and cash equivalents

Cash and bank balances	75,627	154,573
Finances under mark up arrangements	(5,354,474)	(5,285,780)
	(5,278,847)	(5,131,207)

28. Remuneration of Chief Executive, Directors and Executives

28.1 The aggregate amount charged in the financial statements for the year for remuneration, including certain benefits, to the Chief Executive, full time working directors including alternate directors and executives of the Company is as follows:

	Chief Executive		Non-Executive Director		Executive Director	
	2019	2018	2019	2018	2019	2018
	(Rupees in thousand)					
Managerial remuneration and allowances	11,930	11,276	13,165	13,165	44,492	41,084
Housing	5,364	5,070	5,920	5,920	19,966	18,428
Utilities	1,192	1,127	1,315	1,315	4,437	4,095
Retirement benefits	2,101	1,985	-	-	7,834	7,232
Medical expenses	293	194	-	-	1,281	1,361
Bonus	6,054	5,824	-	-	23,145	21,111
Club expenses	93	88	-	-	573	519
Others	6,651	9,069	5,017	6,902	21,735	29,003
	33,678	34,633	25,417	27,302	123,463	122,833
Number of persons	1	1	1	1	17	16

28.2 The Company also provides some of the Directors and Executives with free transport and residential telephones.

28.3 Aggregate amount charged in the financial statements for the year for fee to Directors is nil (2018: nil).

28.4 The Company has no Executive Director other than the Chief Executive Officer.

29. Transactions with related parties

The related parties comprise associated undertakings, other related companies, key management personnel and post retirement benefit plan. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under receivables and payables and remuneration of key management personnel is disclosed in note 28. Other significant transactions with related parties are as follows:

Relation with undertaking	Nature of transaction	2019 (Rupees in thousand)	2018
Associated companies	Purchase of services	2,421	3,347
	Reimbursement of expenses	-	149
	Purchase of goods	333	1,084
	Dividend paid	244,020	274,523
	Sale of goods	1,804	-
Retirement benefit plan	Dividend paid	1,554	1,748
	Expense charged	20,332	17,243
Key management personnel	Dividend paid	88,277	99,313

29.1 The names of related parties with whom the Company has entered into transactions or had agreements / arrangements in place during the year and whose names have not been disclosed elsewhere in these financial statements are as follows:

Name of the related party	Basis of relationship	Percentage of shareholding %
Toyota Tsusho Corporation	Associated company	20%
Tomen Power (Singapore) (Private) Limited	Associated company	16%
Red Communication Arts (Private) Limited	Common directorship	-
Kohinoor Power Company Limited	Common directorship	-
Pak Elektron Limited	Common directorship	-
Pel Marketing (Private) Limited	Common directorship	-
Wartsila Pakistan (Private) Limited	Common directorship	-
Kohinoor Energy Limited Employees Gratuity Fund	Common control	0.23%

All transactions with related parties are carried out on mutually agreed terms and conditions.

29.2 Information about the related party incorporated outside the Pakistan with whom the company had entered into transactions is as follows:

29.2.1 Name of company: Toyota Tsusho Corporation
Country of incorporation: Japan
Basis of association: Associated undertaking
Aggregate percentage of shareholding: 20%

29.2.2 Name of company: Tomen Power (Singapore) (Private) Limited
Country of incorporation: Singapore
Basis of association: Associated undertaking
Aggregate percentage of shareholding: 16%

30. Capacity and production	2019	2018
	MWh	
Installed capacity (Based on 8,760 hours)	1,086,240	1,086,240
Actual energy delivered	387,435	645,395

Under utilization of available capacity is due to less demand by WAPDA.

31. Financial risk management

31.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. The Board of Directors (the Board) exercises oversight of the Company's risk management programme.

Risk management is carried out by the finance department under the principles and policies approved by the Board. The Board provides principles for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity. All treasury related transactions are carried out within the parameters of these policies. The finance department prepares monthly and quarterly management accounts. Quarterly management accounts are scrutinized by the Board and variances from the budgets are investigated. Quantitative and qualitative analyses are carried out to measure risk exposures and to develop strategies for managing these risks. These analyses include ratio analysis and trend analysis over financial and non-financial measures of performance.

a) Market risk

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

Currently, the Company's foreign exchange risk exposure is restricted to the amounts receivable / payable from / to the foreign entities. At the reporting date, no amounts were receivable from or payable to the foreign entities. The Company's exposure to currency risk is as follows:

	2019	2018
	(FCY in thousand)	
Trade and other payables	-	86

The following significant exchange rates were applied during the year:

	2019	2018
Rupees per Euro		
Average rate	155.21	131.43
Reporting date rate	186.14	141.57

If the functional currency, at reporting date, had fluctuated by 5% against the Euro with all other variables held constant, the impact on profit after taxation for the year would have been nil (2018: 0.73 million). Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis.

ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to any significant equity price risk since there are no investments in equity securities. The Company is also not exposed to commodity price risk since it has a diverse portfolio of commodity suppliers.

iii) Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has no significant long-term interest-bearing assets. The Company's interest rate risk arises from short term borrowings. Borrowings obtained at variable rates expose the Company to cash flow interest rate risk.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

	2019	2018
	(Rupees in thousand)	
Fixed rate instruments		
Financial assets		
Bank balances - savings accounts	62,440	53,015
Net exposure	<u>62,440</u>	<u>53,015</u>
Floating rate instruments		
Financial assets		
Trade debts - overdue	6,451,504	5,458,623
Financial liabilities		
Finances under mark up arrangements - secured	(5,354,474)	(5,285,780)
Net exposure	<u>1,097,030</u>	<u>172,843</u>

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

If interest rates on finances under mark up arrangements, at the year end date, fluctuate by 1% higher / lower with all other variables held constant, profit before tax would have been Rs. 51.62 million (2018: Rs. 52.86 million) higher / lower, mainly as a result of higher / lower interest expense on floating rate finances.

b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk arises from deposits with banks and other receivables.

i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2019	2018
	(Rupees in thousand)	
Long term loans and deposits	3,563	7,703
Trade debts	7,155,022	6,645,211
Loans, advances, deposits, prepayments and other receivables	8,430	38,413
Balances with banks	73,720	153,277
	<u>7,240,735</u>	<u>6,844,604</u>

The age of trade debts as at reporting date is as follows:

- Not past due	1,134,035	1,186,588
- Past due 0 - 180 days	3,083,830	4,445,736
- Past due 181 - 365 days	2,249,254	111,580
- 1 - 2 years	205,720	137,235
- More than 2 years	912,700	764,072
	<u>7,585,539</u>	<u>6,645,211</u>

The movement in provision for impairment of receivables is as follows:

Opening balance	-	-
Provision made during the year	(430,517)	-
Written-off during the year	-	-
Closing balance	<u>(430,517)</u>	<u>-</u>

The trade debts are secured by a guarantee from the Government of Pakistan under the Implementation Agreement.

ii) Credit quality of major financial assets

The credit quality of major financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Short Term	Long Term	Rating Agency	2019	2018
				(Rupees in thousand)	
Trade debts					
WAPDA	Not available			7,155,022	6,645,211
Other receivables					
WAPDA	Not available			64,461	202,666
Banks					
Bank Alfalah Limited	A1+	AA+	PACRA	30	744
Standard Chartered Bank	A1+	AAA	PACRA	2	100,250
Askari Commercial Bank	A1+	AA+	PACRA	34,712	21,267
MCB Bank Limited	A1+	AAA	PACRA	-	1
Habib Bank Limited	A-1+	AAA	JCR-VIS	30,603	30,031
Al-Baraka Bank	A1	A	PACRA	48	18
United Bank Limited	A-1+	AAA	JCR-VIS	14	2
National Bank of Pakistan	A1+	AAA	PACRA	304	78
Faysal Bank Limited	A1+	AA	PACRA	117	886
Bank Islami Pakistan Limited	A1	A+	PACRA	7,890	-
				<u>7,293,203</u>	<u>7,001,154</u>

After giving due consideration to the strong financial standing of the banks and Government guarantee in case of WAPDA, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly, the credit risk is minimal.

c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At June 30, 2019, the Company had Rs. 8,410 million available borrowing limits from financial institutions and Rs. 75.63 million cash and bank balances.

The following are the contractual maturities of financial liabilities as at June 30, 2019:

	Carrying amount	Less than one year (Rupees in thousand)	One to five years	More than five years
Finances under mark up arrangements	5,354,474	5,354,474	-	-
Trade and other payables	25,912	25,912	-	-
Accrued finance cost	103,727	103,727	-	-
Unclaimed dividend	50,088	50,088	-	-
	<u>5,534,201</u>	<u>5,534,201</u>	<u>-</u>	<u>-</u>

The following are the contractual maturities of financial liabilities as at June 30, 2018:

	Carrying amount	Less than one year (Rupees in thousand)	One to five years	More than five years
Finances under mark up arrangements	5,285,780	5,285,780	-	-
Trade and other payables	47,246	47,246	-	-
Accrued finance cost	48,878	48,878	-	-
Unclaimed dividend	10,305	10,305	-	-
	<u>5,392,209</u>	<u>5,392,209</u>	<u>-</u>	<u>-</u>

31.2 Fair values of financial assets and liabilities

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

31.3 Financial instruments by categories

	At fair value through profit and loss		Loans and receivables		Total	
	2019	2018	2019	2018	2019	2018
			(Rupees in thousand)			
Assets as per statement of financial position						
Long term loans and deposits	-	-	3,563	7,703	3,563	7,703
Trade debts	-	-	7,155,022	6,645,211	7,155,022	6,645,211
Loans, advances, deposits, prepayments and other receivables	-	-	8,430	38,413	8,430	38,413
Cash and bank balances	-	-	73,720	153,277	73,720	153,277
	<u>-</u>	<u>-</u>	<u>7,240,735</u>	<u>6,844,604</u>	<u>7,240,735</u>	<u>6,844,604</u>

Financial liabilities at amortized cost
2019 **2018**
(Rupees in thousand)

Financial liabilities as per statement of financial position

Short term finances	5,354,474	5,285,780
Trade and other payables	25,912	47,246
Accrued finance cost	103,727	48,878
Unclaimed dividend	50,088	10,305
	5,534,201	5,392,209.5

31.4 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders through repurchase of shares, issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings including current and non-current borrowings, less cash and bank balances as disclosed in note 19. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt. The gearing ratio as at June 30, 2019 and June 30, 2018 is as follows:

	Note	2019 (Rupees in thousand)	2018 (Rupees in thousand)
Short term borrowings	8	5,354,474	5,285,780
Cash and bank balances	19	(75,627)	(154,573)
Net debt		5,278,847	5,131,207
Total equity		5,870,624	6,005,463
Total capital		11,149,471	11,136,670
Gearing ratio %		47.3%	46.1%

32. Earnings per share

32.1 Basic earnings per share

		2019	2018
Net profit for the year	Rupees in thousand	551,477	729,898
Weighted average number of ordinary shares	Number in thousands	169,459	169,459
Earnings per share	Rupees	3.25	4.31

33.2 Diluted earnings per share

A diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at June 30, 2019 and June 30, 2018 which would have any effect on the earnings per share if the option to convert is exercised.

33. Date of authorization for issue

These financial statements were authorized for issue on September 18, 2019 by the Board of Directors of the Company.

34. Subsequent events

The Board of Directors have proposed a final dividend for the year ended June 30, 2019 of Rs. 2 (2018: Rs. 1) per share, amounting to Rs. 338.917 million (2018: Rs. 169.46 million) at their meeting held on September 18, 2019 for approval of the members at the Annual General Meeting to be held on October 22, 2019. These financial statements do not reflect this dividend payable.

35. Corresponding figures

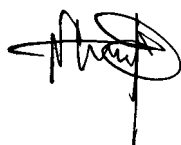
Corresponding figures where necessary, have been rearranged for the purposes of comparison. No significant rearrangement or reclassification has been made during the year ended June 30, 2019.

36. General

Figures have been rounded off to the nearest thousand of Rupees unless otherwise specified.



Chief Executive Officer



Director



Chief Financial Officer

PATTERN OF SHAREHOLDING

AS AT JUNE 30, 2019

NO. OF SHAREHOLDERS	FROM	SHAREHOLDING TO	TOTAL SHARES HELD
149	1	100	3,626
215	101	500	86,095
199	501	1,000	182,893
347	1,001	5,000	1,081,842
168	5,001	10,000	1,370,382
52	10,001	15,000	672,091
35	15,001	20,000	648,850
26	20,001	25,000	595,190
25	25,001	30,000	709,450
6	30,001	35,000	191,150
13	35,001	40,000	506,594
5	40,001	45,000	221,500
15	45,001	50,000	742,700
8	50,001	55,000	421,000
6	55,001	60,000	348,750
6	60,001	65,000	378,000
5	65,001	70,000	337,000
2	70,001	75,000	147,000
1	75,001	80,000	80,000
4	80,001	85,000	331,025
1	85,001	90,000	90,000
1	90,001	95,000	95,000
11	95,001	100,000	1,096,000
1	100,001	105,000	103,382
1	115,001	120,000	120,000
1	135,001	140,000	136,000
2	145,001	150,000	296,500
2	155,001	160,000	320,000
1	185,001	190,000	187,820
3	195,001	200,000	600,000
1	200,001	205,000	204,000
1	205,001	210,000	205,500
1	210,001	215,000	214,000
1	230,001	235,000	231,500
1	250,001	255,000	255,000
3	275,001	280,000	835,269
1	290,001	295,000	295,000
1	295,001	300,000	300,000
1	305,001	310,000	308,000
1	345,001	350,000	350,000
1	385,001	390,000	388,500
2	495,001	500,000	1,000,000
1	630,001	635,000	632,500
1	650,001	655,000	655,000
1	805,001	810,000	805,500
1	875,001	880,000	876,257
1	1,045,001	1,050,000	1,050,000
1	1,175,001	1,180,000	1,175,895
1	1,185,001	1,190,000	1,189,500
1	1,495,001	1,500,000	1,500,000

1	1,805,001	1,810,000	1,808,392
1	2,565,001	2,570,000	2,567,500
1	3,385,001	3,390,000	3,389,171
1	5,695,001	5,700,000	5,700,000
1	5,795,001	5,800,000	5,800,000
2	7,900,001	7,905,000	15,805,998
1	10,135,001	10,140,000	10,135,351
1	10,420,001	10,425,000	10,422,600
2	14,125,001	14,130,000	28,253,241
1	27,110,001	27,115,000	27,113,378
1	33,890,001	33,895,000	33,891,722
1,347			169,458,614

Categories of shareholders

Share held

Percentage

Directors, Chief Executive Officers, and their spouse and minor children	22,032,770	13.0019
Associated Companies, undertakings and related parties. (Parent Company)	61,393,600	36.2293
NIT and ICP	876,257	0.5171
Banks Development Financial Institutions, Non Banking Financial Institutions.	10,148,758	5.9889
Insurance Companies	353,269	0.2085
Modarabas and Mutual Funds	49,000	0.0289
Share holders holding 10% or more	61,005,100	36.0000
General Public		
a. Local	64,900,096	38.2985
b. Foreign	10,020	0.0059
Others (to be specified)		
1- Investment Companies	1,050,187	0.6197
2- Pension Funds	24,282	0.0143
3- Others Companies	2,845,822	1.6794
4- Joint Stock Companies	2,345,002	1.3838
5- Foreign Companies	3,429,551	2.0238

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Categories of Shareholding required under Code of Corporate Governance (CCG)

As on June 30, 2019

Sr. No.	Name	No. of Shares Held	Percentage
Associated Companies, Undertakings and Related Parties:			
1	TOYOTA TSUSHO CORPORATION	33,891,722	20.0000
2	TOMEN POWER (SINGAPORE) (PVT) LIMITED	27,113,378	16.0000
3	TRUSTEE KOHINOOR ENERGY LTD EMPLOYEES GRATUITY FUND (CDC)	388,500	0.2293
4	MR. M. AZAM SAIGOL (CDC)	14,126,620	8.3363
5	MRS. AMBER HAROON SAIGOL W/O M. AZAM SAIGIL (CDC)	7,902,999	4.6637
Mutual Funds:			
-			
Directors, CEO and their Spouse and Minor Children:			
1	MR. M. NASEEM SAIGOL (CDC)	14,126,621	8.3363
2	MRS. SEHYR SAIGOL W/O MR. M. NASEEM SAIGOL (CDC)	7,902,999	4.6637
3	SHEIKH MUHAMMAD SHAKEEL	650	0.0004
4	MR. SHINGO ITO	500	0.0003
5	MISS MARIKO UEDA	500	0.0003
6	MR. ICHIRO KAWANO	500	0.0003
7	MR. RYO AOE	500	0.0003
8	MR. FAISAL RIAZ	500	0.0003
Executives:		36,500	0.0215
Public Sector Companies & Corporations:			
-			
Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:		10,575,309	6.2406
Shareholders holding five percent or more voting interest in the listed company:			
S. No.	Name	Holding	% AGE
1	TOYOTA TSUSHO CORPORATION	33,891,722	20.0000
2	TOMEN POWER (SINGAPORE) (PVT) LIMITED.	27,113,378	16.0000
3	MR. M. NASEEM SAIGOL (CDC)	14,126,621	8.3363
4	MR. M. AZAM SAIGOL (CDC)	14,126,620	8.3363
5	NATIONAL BANK OF PAKISTAN. (CDC)	10,135,500	5.9811
6	MST. ATIQA BEGUM (CDC)	10,478,100	6.1833
All trades in the shares of the listed company, carried out by its Directors, CEO, CFO, Company Secretary and their spouses and minor children:			
S. No.	NAME	SALE	PURCHASE
1	MR. FAISAL RIAZ	-	500
2	MR. MUHAMMAD ASAD KHAN	500	-
3	MR. RYO AOE	-	500
4	MR. HIROTOSHI UGAJIN	500	-

PROXY FORM

Ledger Folio/CDC A/C No.

Shares Held

I/We _____

of _____ being member(s) of Kohinoor Energy Limited

hereby appoint _____

of _____ or failing him _____

of _____ as my/our Proxy in my/our absence to attend and vote for me/us and on my/our behalf at the twenty sixth Annual General Meeting of the Company to be held on October 22, 2019 at 12:30 P.M. at Hotel Margala Islamabad, M-2 Near Convention Centre, Islamabad and/or at any adjournment thereof.

As witness my/our hand(s) this _____ day of _____ 2019

signed by _____

in the presence of _____

Signed by the said

Witness: _____
Name

CNIC No. _____

Address _____

Witness: _____
Name

CNIC No. _____

Address _____

Revenue
Stamps
Rs.5/-

Notes:

A member entitled to attend and vote at this meeting may appoint a proxy. Proxies, in order to be effective, must be received at Head Office/Shares Department of the Company situated at plant site Near Tablighi Ijtima, Raiwind Bypass, Lahore not less than forty-eight hours before the time for holding the meeting and must be duly stamped, signed and witnessed.

For CDC Account Holders/Corporate Entities

In addition to the above, the following requirements be met :

- (i) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be provided with the proxy form.
- (ii) In case of a corporate entity, the Board of Directors resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.
- (iii) The proxy shall produce his original CNIC or original passport at the time of attending the meeting.

پراکسی فارم

عام حصص بمطابق شیئر رجسٹرڈ / فوئیو نمبر

کوہ نور انرجی لمیٹڈ

سی ڈی سی کا شراکتی آئی ڈی نمبر

میں / ہم

ساکن

بطور کوہ نور انرجی لمیٹڈ کے رکن و حامل

ساکن

یا بصورت دیگر

ساکن کو اپنی جگہ، بروز منگل 22 اکتوبر 2019 کو دوپہر بارہ بج کر

تیس منٹ (12:30) پر مارگلہ ہوٹل، ایم ٹو، نزد کنوینشن سنٹر، اسلام آباد میں منعقد یا ملتوی ہونے والے سالانہ اجلاس عام میں رائے دہندگی کے لیے اپنا ناما ہندہ مقرر کرتا کرتی

ہوں۔

دستخط مورخہ 2019

5/- روپے کا
محصول ٹکٹ

گواہی:

1- دستخط 2- دستخط

نام نام

پتہ پتہ

قومی شناختی کارڈ نمبر قومی شناختی کارڈ نمبر

دستخط

(دستخط کمپنی کے پاس دستخط کے نمونہ کے مطابق ہوں)

قومی شناختی کارڈ نمبر / پاسپورٹ نمبر

ضروری:

(i) پراکسیز کے موثر ہونے کے لیے لازم ہے کہ وہ اجلاس سے 48 گھنٹے قبل کمپنی کو موصول ہوں۔ پراکسی کارکن ہونا ضروری نہیں ہے سی ڈی سی کے حصص یافتگان اور ان کے نمائندوں سے التماس ہے

کہ وہ اپنے کمپیوٹر یا ڈیجیٹل شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپی پراکسی فارم کے ساتھ کمپنی میں جمع کرائیں۔

(ii) پراکسی کو اجلاس کے وقت اپنا اصل قومی شناختی کارڈ یا اصل پاسپورٹ پیش کرنا ہوگا۔

(iii) کارپوریٹ ایٹھٹی کی صورت میں ڈائریکٹرز کی قرارداد / پاور آف اٹارنی مع نامزد فرد کے دستخط کا نمونہ (اگر پہلے فراہم نہ کئے گئے ہوں) پراکسی فارم کے ہمراہ کمپنی کو پیش کرنے ہوں گے۔

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